THE CHINA WEEKLY

REVIEW

Devoted to the Economic, Political and Social Development of China and its Intercourse with Other Nations

Are the River Gunboats Out of Date?

Extrality Continues Until Justice Reigns

By Charles Dailey

Constructive Forces in China Today

By C. T. Liang

American Policy in the Present Crisis

許密勒報

SATURDAY, OCT. 2, 1926

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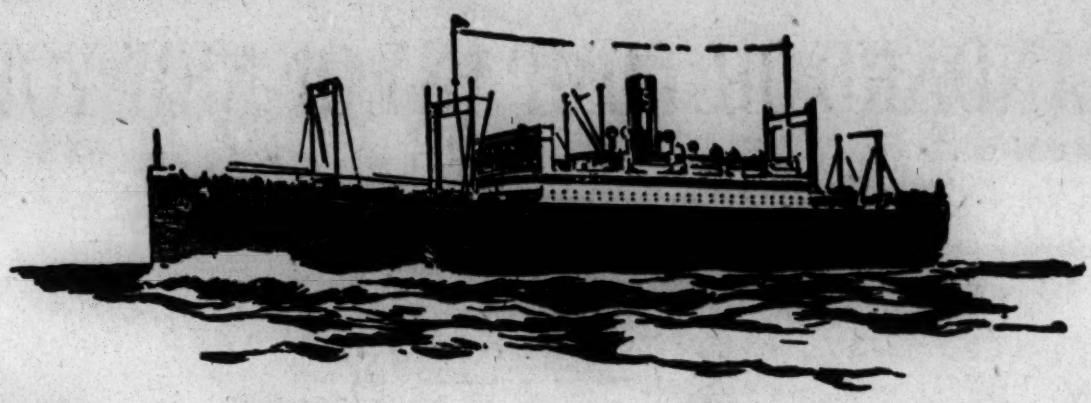

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J. B. POWELL, Editor and Publisher
ROBERT H. POWERS, Advertising and Business Manager
LIZEN SCHENG, Assistant Advertising Manager

CONTRIBUTING EDITORS

HOLLINGTON K. TONG, H. F. MACNAIR,
HIN WONG, (Canton) BRUNO SCHWARTZ (Hankow)
CHAS. A. DAILEY (Peking) PEI-YU CHIEN,
WM. STEPHEN WANG (Tientsin) H. P. SHASTRI

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AMERICAN POLICY IN THE PRESENT CRISIS!

A FEW DAYS AGO a Chinese banker whose radical utterances on political matters have recently caused many of his friends to question the soundness of his judgment on financial matters as well as politics, recently made the declaration that the United States of American has no policy toward China; that America simply tags along in the wake of the more positive policies of Great Britain and Japan, taking advantage of special benefits which have been wrested from China by these Powers. Continuing along this line, the Chinese banker referred to above, stated that in his opinion the so-called American role of friendship toward China was highly hypocritical, because America disarmed China with her professions of friendship when in actual practice her policy was no different from that of the other "imperialists." For these reasons this Chinese banker alleged that the Chinese people are growing to have less respect for America than they have for Great Britain and Japan, simply because they have no illusions regarding the real intentions of these two latter countries.

ALTHOUGH, as indicated above this banker's radical statements have not been in keeping with the traditional conservatism of his profession, the statement is interesting nevertheless in view of recent British statements that the United States, owing to its refusal to take a positive stand on the China problem, is hence responsible for the present situation of chaos which exists in this country. The Japanese have also been dissatisfied with American policy toward China but press comment in that country has been less critical since the publication in the *Japan Advertiser* of a dispatch from Washington stating that neither President Coolidge nor Secretary of State Kellogg entertain any idea of authorizing American participation in any "strong" policy of intervention such as has been urged recently by an influential section of the British press both in China and in London. While there is some local uncertainty regarding American policy toward China, due to the lack of an American-owned and controlled newspaper or a direct American press service in China's chief commercial metropolis, it is extremely questionable whether there has been any appreciable change in sentiment toward the United States on the part of the Chinese people generally. Some of the more radical members of the Kuomintang at Canton have attempted to stir up anti-American sentiment owing to their failure to induce Washington to recognize the Canton Government and in addition to this some

anti-Americanism developed from the participation of the U. S. Navy a few years ago in an international demonstration which prevented Dr. Sun Yat-sen from seizing the Customs funds at Canton and also from American participation in a more recent naval threat when militarists of a certain faction attempted to block the entrance to the Tientsin harbor.

IT ISN'T necessary to review the history of Chinese-American relations to show the fallacy of any general statement that Americans are losing the friendship of the Chinese people. America's good name in China is based upon the simple fact that the United States has never participated in the scramble for territories or spheres of interest at the expense of China. The principle of the Open Door enunciated by John Hay tended to prevent the dismemberment of China at a time when the Powers had about decided to divide up the country among themselves. The United States was the first to return a portion of the Boxer Indemnity to China for use in the education of the Chinese people and again two years ago was the first to relinquish all of the Indemnity for similar purposes, a policy which is now being reluctantly imitated by other Powers. At the Washington Conference in 1921-1922, the United States again took the lead in attempting to restore China's political, territorial and administrative autonomy and although handicapped by the reactionary policies of some of the other Powers, was nevertheless successful in starting China back in the direction of becoming master of her own household.

CHINESE who may become impatient with American policy toward China on the ground that Washington often fails to take a positive stand on special questions which are particularly favored by the extreme nationalists, overlook the fact that the American policy is one of peaceful readjustment. The late Dr. Sun Yat-sen, in an interview with an American newspaper correspondent several years ago declared that the United States should force Japan to relinquish her special position in Manchuria. In other words, Dr. Sun thought that the United States should issue an ultimatum to Japan to get out of Manchuria and in case Japan should fail to immediately comply, that there should be a declaration of war. Other Chinese have argued that the United States should take an equally positive stand in supporting China in her conflict with Great Britain on the treaty situation or in respect to the conflict between Canton and Hongkong. Still others have criticised the United States for failure to take a positive stand to make the Open Door effective. Chinese critics of the United States on these various grounds, fail to realize that the American policy favoring the re-establishment of Chinese political and territorial integrity, depends for its success upon a peaceful readjustment. A war to force such a policy probably would bring other evils in its train which might. conceivably, be worse than the present situation, for until the Chinese people are able to stand on their own feet politically, a war to force premature readjustments would in all liklihood merely lead to the substitution of some other foreign Power for those already established. There is no Power on earth which can unify China and give the nation a strong Government except the Chinese people themselves. Friendly nations may assist when occasion permits, but the job of unifying China and developing the country must be managed by the Chinese themselves. The United States, in order to protect its own commercial position in this part of the world, has been forced on occasion to participate in policies which many Chinese radicals consider aggressive, but America has never yet refused to relinquish any special privilige when assured that China was able to guarantee equitable treatment to all foreigners, witness the relinquishment of foreign postal privileges under American leadership at the Washington Conference. The American position in China is not a simple one, for there is constant criticism on both sides. China criticises because Washington does not take a more positive stand and the other Powers possessing special privileges criticise because the United States goes too far in helping China, witness the present situation wherein America is being criticised by Chinese radicals for not going ahead and granting all of the demands for treaty revision, while on the other hand certain of the Powers are highly critical of President Coolidge because he will not authorize a "strong" policy of intervention "to put an end to the present disordered situation."

ARE THE RIVER GUNBOATS OUT OF DATE?

THE *United Press* correspondent in Peking recently sent a story which appeared in the *Japan Advertiser* on September 20 which quoted a foreign military expert in Peking to the effect that the foreign gunboats, popularly styled, "patrol" boats, now used by foreign Powers on the Yangtsze River, are completely out of date. "The gunboat is an outmodeled instrument in the China of today," declared this expert, who explained further that "we who talk blithely about sending a gunboat here or there to some scene of local disturbance may someday, very soon, be rudely awakened by discovering that our all-powerful gunboat is helpless against the modern artillery of the Chinese." The interview was inspired by the recent Wanhsien incident wherein three British gunboats which had gone to rescue a couple of British river steamers seized by a Chinese general, were actually forced to withdraw by Chinese shore artillery without being able to accomplish their purpose. It doesn't require the explanation of a military expert to prove that an efficiently operated shore battery is superior to a river gunboat in a comboat at close quarters. It also does not require any explanation to convince the public that the Chinese are rapidly possessing themselves of modern field artillery: as a matter of fact we seem to have read recent accounts of a retired British army officer who is helping one Chinese general to turn out modern artillery in quantity lots. In addition there are army officers of other nationalities, fresh from experience in the European War who are teaching their apt Chinese pupils how to operate this modern military equipment.

SOME OF THE other remarks of the foreign military expert quoted by the *United Press* are also of interest in this same connection. "We are no longer in the position of a superior people shelling a lot of helpless South Sea natives. In selling arms surreptitiously to Chinese militarists, and in giving foreign military training to Chinese soldiers, we have sown seeds which will produce a whirlwind. We foreigners resident in China shall be lucky if it doesn't blow off more than our hats." In further explanation this expert declared that the present type of gunboat operated by the Americans, British and Japanese on the Yangtsze "is all wrong

for the present situation," since what is really needed is a sort of low, heavily-armored monitor, hard to hit and harder to damage when hit. According to the foreign expert quoted, he claimed to have inspected the defenses at Nankow, following the Kuominchun evacuation, and we give his own words regarding the results of the inspection, "I want to say that I would not have cared to lead a battallion of foreign World War veterans against them. That mass of barbed wire, electrified wire, stake-bottomed trenches and nail-studded frames would baffle any force in the world today on a frontal attack. It is true that Gen. Chang Hsueh-liang worked around on a flanking movement, but that only shows one more step in absorption of foreign tactics by the Chinese military leaders. . . . . Foreigners who talk of a 'gunboat policy' and 'forcible intervention' in China today must realize that China today is not the China of yesterday. If anybody tries to jump on China today, he'd better put his heavy boots on first."

DON'T "CUSS" THE GOVERNMENT—ENLIGHTEN IT!

MR. J. J. UNDERWOOD, representative of the Associated American Chambers of Commerce of China in Washington, D. C., gave the American business men in Shanghai some good advice this week when he urged them to cease criticising the officials of the U. S. Government for not adopting satisfactory policies in respect to this part of the world. In place of criticism, Mr. Underwood urged the American business men to make up their minds as to what they want the American Government to do in this part of the world and then see that the proposal is intelligently presented to the President, members of the Cabinet and Congress. "Then," said Mr. Underwood, "if the proposal is economically sound, you may rest assured that the Government will help you!" Operating the Government of the United States, according to Mr. Underwood, is quite similar to the production of a daily newspaper. The editor of a newspaper receives hundreds and thousands of reports of happenings in the course of the day, all of which he must examine and consider from the standpoint of accuracy and policy. Then he sifts the chaff from the wheat and the daily newspaper is the result of his judgment. From the standpoint of the Government, thousands of suggestions are received from all parts of the world. From these suggestions it is the duty of the Government to formulate policies, hence the final result depends as much upon the intelligence of those making the suggestions as upon the final judgment of Washington officialdom. In Mr. Underwood's opinion the U.S. Government as well as the American people, is interested in the welfare of the Americans resident in China and in the welfare of the Chinese people. In order to obtain the adoption of constructive policies by the Government, it is necessary first that the suggestions be sensible and economically sound. Then if these suggestions are intelligently presented to Government officials, constructive policies helpful to this part of the world are bound to result. Mr. Underwood, who was formerly Washington correspondent for the *Seattle Times*, has been the representative of the American Chambers of Commerce of China in the American Capital for several years. He assisted materially in the passage of the China Trade Act through Congress in 1922 and last year helped in inducing Congress to pass legislation exempting Americans residing abroad from the operation of the domestic income tax laws. One of his purposes on his present trip to China is to investigate the needs for a new U. S. Government building here to replace the present buildings occupied by the Consulate-General and U. S. Court. In addition to Mr. Underwood's other accomplishments, he is the author of two standard books on Alaska.

ADVERTISING AND TRADEMARK INFRINGEMENT

A FEW DAYS ago, Shanghai representatives of two American manufacturers appeared in the International Mixed Court in connection with legal actions to prevent infringement of trademarks. In both cases articles of Chinese manufacture were being sold in the local market with labels and trade names closely resembling the American product. It is of course perfectly legitimate for a manufacturer to protect by legal means his right to his own property, the product of his own brain and genius, but we often wonder whether legal action alone is the best remedy. We certainly do not wish to question the right of attorneys to earn legitimate fees in helping manufacturers fight imitative trademarks, but we believe it logical to conclude that better results might be obtained if manufacturers would also take steps to make their products better known to the Chinese people through advertising. Perhaps it would be better to state it this way: that in addition to the fight for legal protection, that manufacturers should also advertise their products so that Chinese and foreign customers here would know themselves which is the true and which is the spurious. To take a well known example in this territory. An American manufacturer of men's underwear markets his product under a trademark which contains the symbol, "B. V. D." Now comes a Chinese manufacturer who also markets men's underwear of allegedly similar quality and style, who uses a trademark containing the symbol, "A. B. C." Where the Chinese manufacturer got his idea for his trade mark we are not in a position to say, but obviously there is ground for misunderstanding on the part of customers as to which is the American and which is the Chinese product. Many persons, doubtless, will be quick to criticise the Chinese manufacturer for imitating the American brand, but we do not agree that the American manufacturer himself is without blame for he has never, to our knowledge at least, done anything to make his brand known in this market. It may be on sale at certain Shanghai stores, but the general public knows nothing at all about it. He has never advertised, at least in publications of general circulation, that his product may be obtained here. He has paid little or no attention to the possibilities for marketing his merchandise in this market, but after someone else has demonstrated that there is a market here, he steps in and tries to prevent by legal means what he alleges to be an imitation.

THERE RECENTLY was another example somewhat similar, the manufactur in this instance being a producer of soap. According to evidence presented in Court, the alleged Chinese imitator of the American brand, had been selling his Chinese-made soap in quantities probably equal to that of the American manufacturer. The chances are that not one purchaser in a hundred, of the Chinese brand, knew that he was purchasing an imitation product. We do not desire to minimize

the fault of the Chinese manufacturer who is alleged to have imitated an American brand of soap, but we do insist that the American manufacturer was also at fault in failing to let the public know by proper advertising just what his trade mark looked like and where his product could be purchased. Chinese customers, very few of whom are familiar with foreign merchandise, are easily misled by shopkeepers who push imitation brands because they clear a greater profit from selling the imitation than by selling the genuine foreign article. Hence it is the duty of the foreign manufacturer, who is seriously interested in developing a sale for his product here, to see that potential customers are familiarized with the appearance of his package and product through intelligently devised advertising placed in publications which have a general circulation. When he fails to do this, he simply invites imitative competition on the part of Chinese manufacturers who are more wide-awake to the possibilities of the market than is the American manufacturer who dabbles in the field and makes no serious and intelligent effort to make his product known to those who might desire to purchase it.

Chinese Employe of *Review* Charged with Theft

A Chinese clerk, Vi Yoh-vung, who has been employed in the subscription department of *The China Weekly Review* for the past three years, appeared before the Mixed Court on Thursday, Sept. 23, charged with the theft of checks and Post Office Money Orders which had been sent to *Review* by subscribers. Owing to the fact that the defalcations have extended over a considerable period, the case was remanded for trial on October 7, the accused being lodged in jail pending reappearance in Court, in order that missing checks and postal orders may be traced.

It seems that the Accused had been in the habit of abstracting letters containing checks from the office mail. Although none of the missing checks have as yet been traced, several postal orders have been traced through the Shanghai Post Office and have been found to contain the forged signature of J. B. Powell, editor of the *Review*. The Accused is a graduate of a mission school at Soochow and was for a time a student in one of the universities at Shanghai. His wife is a teacher in a local mission hospital.

Subscribers for the *Review* who have failed to receive acknowledgement for checks and postal orders sent in have been asked to communicate with the *Review* in order that the payments may be traced and the trouble adjusted.

Don Kinney Sent To Increase National Cash Register Sales

Don Kinney, for fifteen years with the Foreign Sales Service of the National Cash Register Company of Dayton, Ohio, has joined the Business Equipment Corporation as manager of the National cash register sales and distribution in China.

Mr. Kinney will organize a foreign and Chinese staff which he will train after the efficient methods employed in training sales and service men at the home office.

Because the Chinese are so quickly forging ahead in modern business methods, the home office looks upon China as good territory for the more general adoption of cash registers as more efficient accounting and recording appliances than used at present. The most used cash registers have five distinct recording attachments which eliminate all possibility of error or loss of record.

The National Cash Register has built up an organization which is unique in its manufacturing and employment methods. By selling service and results with their many types of machines, the company has established warm personal touch with the users of their system and machines. Mr. Kinney brought a two-reel story of the making of the cash register with him from the United States. He plans on making use of these films in educational demonstrations.

Extrality Continues Until Justice Reigns

BY CHARLES DAILEY

IT seems unfair both to the people of the world at large and to the people of China—both militarists and their victims alike—that the text of the report of the Judicial Commission and the recommendations accompanying it should be suppressed by the thirteen nations party thereto until it appears as a White Paper or other musty document long after garbled and perhaps totally misleading versions of it have gained publicity and quite likely phrased in such language as to further stir up the troubled waters in China. The truth never hurts, although it may cause a momentary sting.

Already various speculative summaries of the report signed in Peking on September 16 have appeared in the press, some of them quite at variance and in accord with the sympathy of the organ through which the publicity was given. There is perhaps a basis of truth in all the versions that have been published, but until the report has been read in its entirety and properly digested no truthfully accurate review can be given, and by the time the voluminous document is available it will be ancient history and the real effects of the recommendations already apparent.

One reads that the Powers have consented to the relinquishment of extraterritoriality and the abolition of Consular jurisdiction over nationals, which perhaps is a correct statement, as is also another statement to the effect that this must be preceded by the establishment of a stable form of government which shall guarantee that the rights of all people—Chinese and foreign alike—shall be respected.

The statement in the address of the American Minister MacMurray in his address to the American Club in Shanghai that extraterritoriality must be continued as a necessary evil is perhaps the most authentic summary of the key-note of the report that has gained publicity. It is assumed that he spoke from an intimate knowledge of the report, and his statement therefore should put at rest all other versions as to great concessions to the Chinese. Best opinion of those who have followed the work of the Judicial Commission is that Dr. Jacob Gould Schurman, then American Minister to China, summarized the report a few years ago when he said in an address in Peking that there should be a gradual relinquishment of extraiterrtoriality after China has been freed of the grip of the militarists. How many years will be required to accomplish these two results—the first predicated upon the latter—is best left for the individual to think out for himself. In any event the first step rests with the Chinese people.

It is noted worthy that the report, including the recommendations, is signed by the delegates of all the thirteen nations, including China. Therefore it is unanimous and binds China, despite the noisy abrogate-all-foreign-treaties minority, which minority is growing less as its components realize that the remedy lies with the Chinese people themselves, and the revival of the revolution indicates that they are preparing to proceed on those lines. No one believes for a moment that if the Cantonese Nationalists should gain control of the majority of the provinces there would be an instant abrogation of the unequal treaties, but rather that there would be an effort made to establish democratic government in China. How far this can proceed without further and much more disastrous factional fighting no one can forecast.

The Cantonese have stated in fact, in the form of a declaration by General Chiang Kai-Shih to the foreign powers, issued from Changsha, that he had undertaken the present expedition "in order to bring about the real liberation of the people. We are fighting the militarists so as to free the people from their oppression. * * * So long as the militarists are in power there can be no hope for the reunification of China. * * * We will regard all countries who are sympathetic with the aspirations of the nationalist movement as our friends and those who are against us as our enemies. * * * Freedom and equality are two most essential points in every independent country.

"It is the intention of the Nationalist Government to see peace permanently maintained in the world. China, as a semi-colonial state, as she is to-day, will probably lead to another world war. China as a strong nation may avert war. * * *

"Ever since the establishment of the Republic foreign imperialists have been found at the back of civil wars in China. They have granted loans and sent large consignments of arms for the use of reactionaries and militarists.

By so doing they have helped to prolong the civil strife in this country. So the people feel that it has been the imperialists who were behind the screen of civil war in China. * * *

"We will treat all nations which are friendly to the course of the nationalist movement as our friends and we will hold ourselves responsible for the protection of their nationals and properties in China. On the other hand, in case any foreign power is found to be cherishing malicious designs against the Nationalist government, we will withdraw all our protection of them. I hope all friendly powers will not misunderstand our decision."

It is the belief of those who have followed closely the work of the Judicial Commission that its members have anticipated in their report the very assertions made by General Chiang. Although strict secrecy has been observed there seems to be the opinion that the thirteen signatories to the report have stated unqualifiedly that the abolition of extraterritoriality cannot be granted until there has been an end to the internecine strife in China and a united government established. To this extent, therefore, the report may seem to accord with the desires of the Nationalist government. It seems possible that the thirteen signatories have gone even further and have pledged their countries to the discussion of the question of a gradual relinquishment of Consular jurisdiction when China has created a modern court system and is in a position to administer justice without the interference of the national, civil or military authorities. In other words, the thirteen foreign powers agree with General Chiang in crying "Down with the militarists!"

It seems also certain that the report lays emphasis on the fact that China is without a Constitution, without a President, without a Parliament, without a legal Cabinet or other form of government or a promulgated code of laws. It is equally certain that the report must state that the so-called government of China is constantly being changed and that its voice does not carry into the provinces, and often not beyond the walls of Peking. In this respect the report also must be pleasing to the Canton Nationalists.

It requires no guesswork to set down that the report will be found to state that in the nearly fifteen years of the Republic there have been forty-two Cabinets, an average life of four and a half months. It will show unquestionably that Presidents, whether chosen by fair means or foul, have been driven from office and from Peking at the point of a bayonet because of the caprice or demand of some militarist. It will of necessity detail the throwing into prison of an elected President and detaining him without warrant or trial so long as the militarist who deposed him remained in control of the military approaches to Peking.

Unquestionably a considerable chapter of the report deals with the complete setting aside of justice in all China. It must of necessity deal with the putting to death of a High Court Justice for refusal to yield to the illegal demands of one of the militarists now strutting about Peking and setting all law aside. Also it can be forecast that it deals fully with the drum-head court-martial and shooting of newspaper editors for telling the truth and of wealthy individuals suffering a like fate for their refusal or inability to disgorge money for the avaricious militarits. It will be found to deal pungently with the complete "setting aside" of all civil law and the chances are that the final draft of the report was made before martial law was declared in Peking—a sort of locking the stable after the horse was gone, for by that time, with the foreign delegates packing their bags for departure, a copy of the draft was being circulated among the members of the Chinese government, who must have revealed its contents to their militarist bosses, the government being but their tools.

The recommendations contained in the report are many and are of a constructive nature. It is certain that one of these is that when the conditions imposed are finally complied with and the foreign powers begin the gradual withdrawal of extraterritoriality China must make provision for the appearance of foreign lawyers in the Chinese courts when a foreigner is brought up for trial, and in certain Sino-foreign communities for practice in the courts even when their client is a Chinese.

Chiang Kai-Shih has set forth a programme for the establishment of a peoples' government in China; the thirteen members of the Judicial Commission, including the Chinese delegate, Wang Chung-Hui, have laid down a programme to be followed whenever a responsible government of the people is established. It is up to the Chinese first to put their house in order. Then and then only will the foreign powers consent to consider gradual relinquishment of extraterritoriality.

Peking, Sept. 22, 1926.

The Rendition of the Mixed Court

THE provisional agreement between the Shanghai Consular Body and the Chinese Provincial Officials for the return of the control of the International Mixed Court to China, has now been signed, and was made public this week. The agreement is as follows:

Provisional Agreement for the Rendition of the Shanghai Mixed Court

1.—(I) The Kiangsu Provincial Government in place of the Mixed Court in the International Settlement at Shanghai will establish the Shanghai Provisional Court. With the exception of cases which in accordance with the treaties involve the right of Consular jurisdiction, all civil and criminal cases in the Settlement shall be dealt with by the said Provisional Court.

(II) All laws, including laws of procedure, and ordinances applicable at the present time in other Chinese Courts as well as those that may be duly enacted and promulgated in the future shall be applicable in the Provisional Court, due account being taken of the terms of the present agreement and of such established rules of procedure of the Mixed Court as shall be hereafter agreed upon.

Criminal Cases Affecting Foreigners

(III) In criminal cases which directly affect the peace and order of the International Settlement, including contraventions of the Land Regulations and By-Laws of the International Settlement, and in all criminal cases in which the accused is in the employ of a foreigner having extraterritorial rights, the Senior Consul may appoint a Deputy to sit with the Judge to watch the proceedings. The concurrence of the Deputy shall not be necessary for the validity of the judgment, though he shall have the right to record his objections, he shall not, however, put any questions to the witnesses or prisoners without the consent of the Judge.

(IV) All summonses, warrants and orders of the Court shall be valid after they have been signed by a Judge. All such summonses, warrants and orders shall be numbered for record by the Chief Clerk before service. When the summons, warrant or order is to be executed on premises occupied by a foreigner having extraterritorial rights, the Consul or other appropriate official of the Power concerned shall on presentation affix his counter-signature without delay.

Foreign Civil Cases

(V) In cases in which a foreigner having extraterritorial rights or the Shanghai Municipal Council is the plaintiff in a civil action and in criminal cases in which a foreigner having extraterritorial rights is the complainant, the Consul of the nationality concerned or the Senior Consul may send an official to sit jointly with the Judge in accordance with the provisions of the treaties.

(VI) A Court of Appeal shall be established in connection with the Provisional Court to deal with criminal cases which directly affect the peace and order of the Settlement and with mixed criminal cases. The President of the Provisional Court shall act concurrently as President of the Court of Appeal. No appeal shall be allowed in cases in which the penalty is below the maximum imprisonment of the fifth degree nor in cases under the Land Regulations and By-Laws of the International Settlement.

In all cases in which a Senior Consul's Deputy sat in the original hearing a different Deputy shall sit in the appeal, appointed in the same way and having the same rights as the original Deputy. In the same way a different Consular official shall sit in the appeal in mixed criminal cases.

Court of Appeal

(VII) The President and Judges of the Provisional Court as well as the Judges of the Court of Appeal shall be appointed by the Kiangsu Provincial Government.

2.—In cases involving imprisonment for ten years or more and in cases involving the death penalty, the Provisional Court shall report the same to the Kiangsu Provincial Government for approval. In cases in which the Provincial Government refuses its approval, the Provincial Government shall give its reasons and order the Provisional Court to rehear the case and again submit the judgment to the Provincial Government. All criminal cases in which the

infliction of the death penalty has been approved shall be remitted to the Chinese authorities outside the Settlement for the execution of such penalty. Inquests and autopsies (*Chien Yen*) in the Settlement shall be held jointly by the Judges of the Provisional Court and the Deputies appointed by the Senior Consul.

3.—The prisons attached to the Provisional Court, with the exception of the House of Detention for civil cases and the women's prison which are to be separately provided for, shall be under the charge of the Municipal Police specially detailed for the purpose, but they shall be operated as far as practicable in conformity with the Chinese Prison Regulations and subject to the supervision of the Court. The President of the Provisional Court shall appoint a visiting Committee, which shall include a Deputy of the Senior Consul, to make investigations from time to time and if it is considered that there are any respects in which the control over the prisoners is unsatisfactory, the same shall be reported to the Court, whereupon the Municipal Police shall be charged by the Court to make the necessary retification which the said police shall carry out without delay.

Police to Serve Warrants

4.—All summonses, warrants and orders issued by the Court shall be executed by the judicial police who shall be detailed for this duty by the Municipal Police and be directly responsible to the Court in the execution of their duties as judicial police. The Municipal Police shall render full and prompt assistance in such matters as may be requested of or entrusted to them by the Court, and when the Municipal Police arrest any person, he shall, within 24 hours, exclusive of holidays, be sent to the Court to be dealt with failing which he shall be released.

5.—In all mixed civil cases where there has been a Consular Official sitting jointly with the judge, the appeal shall be made to the office of the Commissioner for Foreign Affairs, acting with the Consul concerned according to the treaties, but such cases may be turned over to the Provisional Court for retrial by a different judge, the original Consular official being also changed. In the event of a disagreement between the Commissioner for Foreign Affairs and the Consul in respect of the appeal in a case which has been retried, the judgment given at the retrial shall stand.

Internal Administration

6.—The financial affairs and such administrative work of the Court as shall be determined by a joint commission shall be entrusted to a Chief Clerk who shall be recommended by the Senior Consul and appointed by the Provincial Government on the receipt of a petition from the Court. He shall be subject to the supervision and orders of the President of the Court and shall have charge of the staff and exercise proper supervision over the Court finances. If the Chief Clerk is, found to be incompetent or remiss in his duty the President of the Court may reprimand him, and if necessary remove him from office with the consent of the Senior Consul.

7.—The foregoing six articles, forming the Provisional Agreement for the rendition of the Mixed Court to the Kiangsu Provincial Government shall be in force for three years, dating from the day on which the Mixed Court is handed over. Within this period the Chinese Central Govment may at any time negotiate with the foreign Ministers concerned in Peking for a final settlement, which if agreed upon between the Chinese Central Government and the said Foreign Ministers shall replace the present Provisional Agreement. If at the end of three years no final settlement has been reached in Peking, the present Provisional Agreement shall continue to be in force for an other three years. At the end of the first three years, however, the Kiangsu Provincial Government may propose any modifications of the present Agreement provided that notice is given six months before the expiration of the first period of three years.

No Connection with Extrality

8—The Present Provisional Agreement shall in no way bind the Chinese Central Government in any future discussion between it and the foreign Governments with regard to the abolition of extraterritoriality.

9.—The date on which rendition of the Mixed Court shall take place under the above Provisional Agreement shall be fixed by an exchange of notes to take place between the representative of the Kiangsu Provincial Government and the Senior Consul.

Constructive Forces in China.

BY C. T. LIANG

TO America, China is a great problem. To America she is a liability as well as an asset according as she remains weak or strong, divided or united. Indeed there is no single nation today which is capable of more violently disturbing the balance of the whole Pacific as China, in the result of which the United States is vitally concerned. Not only for the interests of China, but also for the very interests of the United States, China should be united. She should haye a stable government. That government must not only be stable and strong enough to preserve internal peace and order, it must also be strong enough to defend herself against all foreign aggressions. For the concern of the United States in that quarter of the globe is not merely commercial. It is also political and military (broad sense.) Had China unfortunately gone under the control of a rival of the United States, the effect would be to menace the American continent itself. On the other hand, were she able to defend herself and be relied upon as a possible ally on the other side of the Pacific, the effect would be just the opposite. In short, for the very interests of the United States alone, China must be so strong, neither less nor more.

Roughly, the constructive forces in China today which are likely to build up such a government are as follows:

I. The Unity of the Chinese people

In spite of the political chaos in China today as she had been so many times in the past, the Chinese people are always united. This phenomenon is not strange, because the people have been so united from time immemorial by ties, racial, religious, cultural, social, and economic, and historical. Today a new tie is being added, namely "nationalism". If one looks for evidence to support this statement, let one turn to the Tsou Dynasty. Then one may find in its worst period of impotency it, as a symbol of national union, carried so much moral prestige over the whole country that when the Duke of Chi reproached the feudal lord of Tsu for failing to pay his respect to the Dynasty, the latter was obliged to do so. Confucius made it known beyond all doubt that he himself stood for the strengthening of the central government of the Dynasty. This idea of national union was extended to an even greater extent that later when China was divided into several small units. Chinese historians used to treat the government which had the most popular cause as the central government and the others as being unnaturally torn away from it. Look at the situation today, the people remain as united as ever. Ask any Chinese one may find, irrespective of his policys or otherwise, one always gets the same answer, "I want national unification." This is even true of the fighting at the present time. The military leaders themselves want unification. The only difference of any importance between them and the people is: whereas the people want unification under any leadership, each of the military leaders wants the same thing come about with himself as the leader. For China as a united nation has come to be regarded as such a natural phenomenon that no artificial barriers can prevent it very long.

II. The growing public opinion

Those who have studied Chinese history (both political and social) carefully never fail to find that public opinion has been always the underlying basis of her governments. It had varied considerably from time to time, but as a force always persisted. For instance, in Shih-Chin (or classics of Poetry) one finds such verse as 天聽自我民聽 "Heaven hears as my people hear." In practice, every newly-rising personality always tried to secure the popular sympathy for his cause in order to be sure of success, which Mencius so rightly called "the rescue of the people from the oppressions of the oppressors" in the cases of Tang 湯 and Wu 武 revolutions. Take a very recent case. When General Hsiao Yao-nan (acting as both civil and military governor of Hupeh) died early the present year, General Wu Pei-fu immediately appointed two of his subordinates to both positions but in face of opposition of the Hupeh people to his appointee for civil governorship was forced to withdraw the appointment. The very fact that General Wu could enforce his command if he wanted to testified for the strength of the public opinion in China. But public opinion in China was never so strong as it is today. It had made and unmade Yuan shih-kai, the "strong man" of China, It had compelled both Japan and England to change their policies toward China. But it is bound to grow stronger with the growing ease of communication and the general spread of education. There is no ground for doubt that it will not constitute one of the strongest forces working toward a fairly strong unified government.

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III. Nationalism

Another factor which may enable China to build up a strong modern "state" in the sense as understood in the western world is the growing spirit of nationalism. "Nationalism" had existed very early in China, but very vaguely. For instance, take Yukung 禹貢 in Su-Chin 書經 one may find such sentence as 萬邦來朝, i.e., "all nations came to pay respect to China." Later in Tsou Dynasty, Confucius highly commended Kuan-Chung for his service to China in strengthening the central government and in driving away the foreign invaders in the north 尊周攘夷. Then in East Ching 東晉 when North China was under the control of Tartar invaders, one of the best-known scholars and statesmen at the time said 風景不殊舉目有山河之異 "The landscape remains the same, but not all is under the Chinese government." But then nationalism as a thing was very vague and in the minds of the Chinese meant more as a "people" than as a "state" in the modern sense. In the modern sense, it is of recent growth. At best, we cannot trace its birth beyond the Opium War of 1842. From 1842 to the Revolution of 1911 was the formative stage during which various factors, ranging from internal misgovernment to foreign aggression, were gradually arousing the people from their long "sleep". But as a concrete thing, and with the open sympathy of the Chinese people of all classes "nationalism" started only in the Revolution of 1911 when even in the remotest region of China one may find children talk about 中華民國 ,'The Republic of China." Chinese nationalism as then born was not directed against any foreign nation nor aimed at China's external relations only, for it included also internal reforms. But foreign aggressions since 1911 certainly gave it new impetus for growth. Among the most important of these aggressions was The Twenty-one Demands. As the Demands became known in 1915, the whole nation was aroused to the highest pitch. Prominent men such as Liu Yung-fu (the hero of the Tonkin War) and Ying Chan-hung, all protested against it and even voluntered for war. One simply could not fail to realize the sincerity when one reads Liu Yung-fu's sentence 永福雖老猶能號召男兒 ("Though I am old, still I can lead the boys to the front.") Then the Versaille decision concerning Shantung followed. The wrath of the Chinese people knew no bounds. Chao Ju-ling and Chang Chung Shiang were charged with "selling" China to Japan. The whole student body struck and many volunteered for imprisonment (the writer was one of those volunteering and was actually imprisoned for about one week in Peking). The lead of the students was followed up by merchants and laborers until the two "traitors" were dismissed from office. The result was the Chinese Delegation did not sign the Versaille Treaty and General Wu Pei-fu followed the tide by overthrowing that much-despised Tuan Chi-jui regime. The part played by "nationalism" in the return of Shantung to China by Japan and the boycott against the British in 1925 is too well-known to need any discussion. Today a number of organizations exist in China all with "nationalism" as a chief program. Of these the Kuo-mintang is the first to advocate "the abolition of unequal treaties," "the overthrow of Imperialism" (both "Red" and "White") and "the overthrow of militarism" (in China.) Thus far both General Fung Yu-Shiang and General Wu Pei-fu had openly accepted this program in substance. Indeed the spirit of "nationalism" goes so high today that the words "Revolution" and unification become popular slogans everywhere. That it will help to establish a strong government there is no doubt.

IV. The Changed Attitude of the Chinese People Toward Politics

Formerly the traditional attitude of the Chinese people toward politics was entirely one of laissez-faire or of indifference. For instance, many high officials in China had formerly got into office simply because of the high esteem they enjoyed among the people. But the people never put these men into office by any direct action of their own. These men got into office only after some high government authorities noticed these currents among the people. In other words, the Chinese people had some share in the government, but it was an indirect one. On the whole, their attitude is well summarized by one of the most famous pronouncements of Confucius, viz.: 不在其位不謀其政 which means, "Since I am not in office, therefore I do not mind about the government." But with the establishment of the Republic this attitude has considerably changed. In fact some change even happened before the Revolution of 1911. As an instance, Mr. Tang Hua-lung 湯化龍 as leader of the provincial legislatures, demanded from the Manchus more parliamentary government. But under the Republic it grew quickly. From one of negative participation it has changed gradually to one of active participation. Take the instance of "The Twenty-one Demands." When it became known, not only the student body protested to the government, but all classes. In the recent Tariff Conference in Peking the Chinese Chamber of Commerce was represented in the Chinese Delegation, and in the negotiation of a commercial treaty between China and Japan, the same body made many suggestions to the Chinese negotiators. In other words, the Chinese people have adopted another attitude toward the government which finds a ready-made slogan in Su-Chin 天下興亡匹夫有責 i.e., "In the rise and fall of nations, everyone has responsibility." This factor is particularly important because on it may depend the form of government China may eventually adopt. Is she going to adopt a government for the governed or is she going to adopt a government by the governed?

V. Chinese Social Organization as a Model for the Chinese National Government

China is a nation of contrast. While her government remained for centuries a monarchy, her local organizations are essentially democratic. In theory, Chinese society is a self-expanding process starting from an individual and ending in the formation of a nation. As Tseng-Tzi 曾子 well put it 身修而後家齊家齊而後國治國治而後天下平 (see his Great Learning) which means: "Having perfected yourself and a good family will evolve from it; having perfected a good family and a well-governed state will evolve from it; having perfected a well-governed state and a peaceful nation (a bigger unit than a state) will evolve from it." In practice the Chinese social growth had almost always followed this process: the reason being that Tseng-tzi, who got his teaching from Confucius, was merely putting into writing a process which was started centuries before him by Yao 堯 and Shun 舜 After Wang An-shih 王安石 added to it the system of collective responsibility called Pao-Chah 保甲 the Chinese society has since remained with little change. As it stands, the Pao-Chah (somewhat like the justice of peace in the United States) is usually chosen by popular acquiescence of each district. It is he who is responsible for collecting taxes. It is he who is responsible for preserving local order and for keeping a watchful eye over its components. In usual cases, it is only through him that higher political authorities get into contact with the numerous local units. Side by side with him there exists a social leader (or more than one, commonly called Shen-Shih or 紳士) who is usually a man of age, experience, ability, influence and integrity (not always), whose words the mass of people will listen to with confidence and whose advice is usually sought on all important affairs by the Pao-Chai and also frequently by the higher authorities. As one goes up the ladder, the social or political structure becomes more complex, but the essential parts of Pao-Chah and Shen-Shih remain. But there are two important points one needs to bear in mind in this connection. One is, as one moves up the political ladder, the mass of people becomes more indifferent and the words of the Shen-Shih less effective. Another is the personal element. This situation still obtains in the China of today. During the recent fighting near Peking, a group of Shen-Shihs (called Yuan-Lau-Hwei 元老會) under the lead of Wang Shih-tseng 王士珍 gathered in Peking, and appealed to the various military leaders for peace on behalf of the people, but unfortunately their appeal did not produce the desired effect. Then in the intermission between the retreat of Fung's troops and the coming of Chang Wu forces this same group organized a militia to preserve order in Peking and it was reported that even the diplomats accepted this service with much confidence. Roughly this is the main social structure of China. It is certain that it will determine to a great extent the establishment of a national government in China as it combines in itself a certain unifying as well as democratizing influences. It is also certain that many improvements are needed to put it into good working order. But any sudden and premature departure from it will produce more harm than good.

VI. Revolutionizing Forces

Besides the forces already mentioned, new forces come into being today in China which never existed before. The first of these is Christianity. Judging either by the practical work it has done (especially through missionary schools) or by its doctrine, Christianity is a great revolutionising force regarding the building up of a healthy state. It destroys and it builds. It enlightens and it awakens. It breaks down barriers and introduces broad outlook or unity. It pulls down filthy practices and brings in new ideas and public morality. There are still many unwelcome barriers in China today which need much overhauling. If not as bearers of the Gospel, the aid of the missionaries (especially American missionaries) will be always welcome as a force of reform. Should any anti-Christian or anti-missionary movement ever start in China, it is fairly certain that it will be not directed against either as a force of reform, but as a "tool" of "imperialism."

Next one may mention the Kuomintang, of which Dr. Sun yat-sen was the founder. It was this party which fostered the revolutionary movement against the Manchus,

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culminating in the overthrow of the Manchus and the establishment of the Republic early in 1912. It was this party which attempted to set up a parliamentary government with a responsible ministry in China. It was this same party which formulated the first national program for China (see Shen-yi and Heinrich Stadelmann: China and Sein Weltprogramm, and 孫中山先生三民主義 or Dr. Sun Yat-sen: San-min Doctrine, Kuomintang Branch, Boston.) As a revolutionizing force in China, it has no rival today. It is not purely a political group of extremists as many people imagine; for it has a very constructive program aiming at overhauling China thoroughly and making her eventually a member of the Commonwealth of Nations on the basis of absolute equality. It is not purely a group of anti-foreign agitators; for its program includes items, internal as well as external. Look at three of the most popular slogans in China today. "Abolition of Unequal Treaties," and "overthrow of Imperialism" are doubtless directed against foreigners alone. But "overthrow of militarism" is an internal problem. Further, the Kuomintang does not stop with these. Indeed its program includes reforms ranging from political revolution down to revolution of the mind. In fine, one may sum up its whole aim in these three terms: "political self-determination," "economic self-determination," and "cultural (or social) self-determination," may happen to the party itself, no doubt exists that its program will ever fail to exert its full influence in the building up of a strong, unified China.

After the Kuomintang, the Renaissance (or The New Learning) movement is undoubtedly the most important revolutionizing influence in China today. Speaking broadly, the movement is an attempt at general emancipation of the Young China from the old ("orthodox") China. Consequently it covers a very wide field. Intellectually, it encouraged individual thinking. Putting it in another way, it emphasizes "self-expression" instead of the orthodox way which China had been traditionally used to for centuries. It imports foreign ideas and attempts were made to spread them throughout the country. But it has not the slightest intention of swallowing them without discrimination. Socially, it preaches emancipation of woman and marriages based upon free love. Attempts were also made to liberalize the Chinese social structure, beginning with the family. Educationally, it emphasizes scientific (or critical) study of subjects. At the same time the phonetic system and the spoken language were adopted so as to make possible the mass education movement. In a sense, one may regard the present mass education movement of 1000 words as a stage in the progsress of the New Learning movement, though both are not directed by the same men. As it stands, it remains chiefly a cultural movement among students. But by the general break-away from the past, the spread of mass education, the spread of new ideas and the stress on individualism it will never fail to affect the political thought and mechanism of China. It may take time, but it is bound to come.

Industrialization of China is another factor that is most likely to cause a general shake-up of the whole Chinese social system with influences on the political make-up of the country. As one might expect, the process goes on fairly well. There are today organized employers' organizations such as Chamber of Commerce, Bankers' Association, side by side with the Labor unions. In each boycott, all classes paid as much attention to the encouragement of native industries as the boycotting of "inferior" (foreign) goods. Instances exist to show that all these organizations had begun to talk about problems of national welfare such as Twenty-one Demands, Extraterritoriality, etc. But it is interesting to note that both sides closely affiliate themselves with the nationalist movement. As yet the process is still in its infancy. Its effective influence on national problems, judging by present conditions, may not take place for some time, though it will surely come.

VII. Leadership

Leadership, so far as Chinese history shows, had been decisive in all national and political problems in the past. It is very likely that it will do so in the China of the immediate future until all the forces that help to make a popular government grow sufficiently strong. The reasons are simple. First, while the Chinese notion of state consists of an expansion from the individual growth, but in practice only few men are gifted with qualities which enable them to climb up to the top of the political ladder. Secondly, while public opinion had always exerted its influence in the political settlements of China, but that influence had never taken the shape of direct action (or participation) until very recently. Thirdly, while the Chinese people had been fairly self-governing in local affairs, but such self-government never extended outside the limits of each locality. Fourthly, China is more used to follow personal leadership than a system. This is particularly true in a period of great confusion. It has become a historical law in China that reconstruction always takes a great man and that an ordinary mind can keep his system going. Lastly, the Chinese people lack the traditional training in direct participation of political affairs, and time is needed to educate them in the arts of a modern citizen. Therefore, it may fairly be said that until the various forces enumerated above grow strong enough to brush aside all obstacles, leadership will continue to play the chief role in the building up of a strong united China in the future.

VIII. Foreign Menace

Foreign nations (missionaries and educators excepted) go to China to benefit themselves, not to benefit the Chinese. Therefore, their constructive value in the building up of a regenerated China must be sought indirectly. Indirectly, Chinese history is full of such instances. Among the earliest emperors, Huang-ti 黃帝 fought the Tzi-yu 豈尤 Later, many instances of foreign menace had aroused the Chinese to the need of self-preservation and kept them "awake." As if true to the Chinese proverb of 時勢造英雄 "circumstances create great men," China nearly always shows a high record for human achievements in the time of chaos. Let us come to the present situation. Probably, there was never a time when China was so seriously menaced as today. Defeated on the battlefields and humiliated in every other way, China has come to her senses. Look at the reforms attempted in the last days of the Manchu regime. Look at the establishment of the Republic. Look at the boycott and the nationalist movement. Look at the introduction of the Renaissance and the mass education movements. They are all occasioned by the fear of foreign conquest, Their stupendous growth is due more to foreign menace than to anything else. The task before China is big. The obstacles to be overcome are beyond description. But if the past Chinese history can serve as a judge at all, indications are China will pull through. Probably the only serious question is time.

Here a question naturally arises; "Can China be united under a Strong government (assuming the full growth of the constructive forces)?" The answer is: Yes, and no. Yes, because China will eventually overcome all difficulties and succeed in organizing a fairly stable national government. No, because China may not be able to establish a firm control over all her territory, simply because the problem of building up a strong united China is not a purely internal problem. One may regard it largely as an internal problem. But external "influences" will not go readily merely by the forming of a national government. Indeed, there are deep-thinking men today who wonder whether China can ever be unified without involving a foreign war. According to this reasoning, it is pointed out that, assuming the constructive forces to be in full working order, China may be able to establish a firm control over most of her territory. But foreign nations which are now controlling parts of Chinese territory will never get out of their own free will, no matter how good a government China may establish. China, therefore, must make them go. Whatever truth there is in this reasoning, one thing is certain: China shall have as serious external obstacles to overcome as the internal ones.

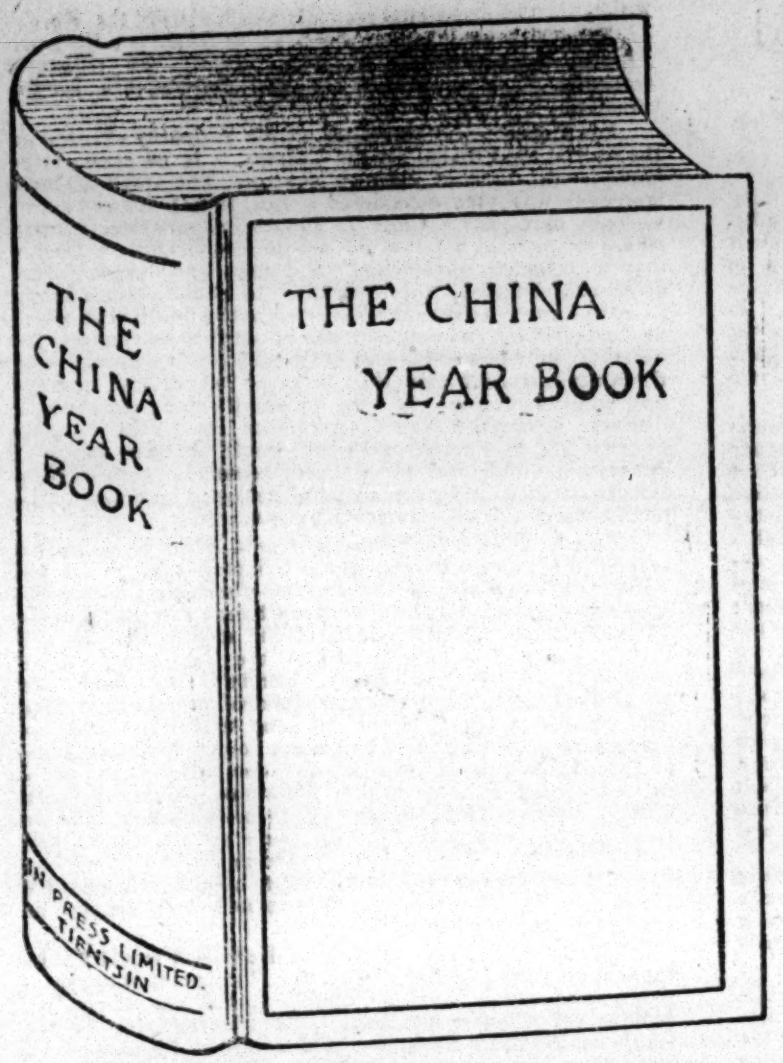
From what was said above, it is easy to draw the following conclusions:

First, China shall never be subject to a foreign government. In spite of the political chaos, the Chinese people are united on two things: (1) that no outsider shall rule over China; and (2) that she will take charge of her own destiny herself (Liang-Chao). Although the various constructive forces are not as yet strong enough to settle all national problems, they are strong enough to cause troubles to any foreign conqueror. Indeed, any foreign power can go to Peking today and establish a government there. But the cost of keeping it up will be too expensive.

Secondly, all signs indicate that China will remain a republic. Although the forces of a popular government (e. g. public opinion, etc.) have not as yet grown mature to make China a real republic as is understood in Europe and America, but the failure of Yuan Shih-kai to restore the monarchy had proved the question beyond all doubt. But she may pass a stage of apprenticeship before the people are all prepared for the duties of citizenship, if the realization of a real republic is to come soon. Then the thing she will need most is a strong hand that is able enough to guide the people through the period of transition and integral enough to work for the interests of the people alone.

Thirdly, the Chinese Republic, while mainly in line with the fundamental principles of a democratic government, may yet develop peculiar characteristics of her own. For instance, she may develop an extra-judicial institutions as Yuan-Lau-Awei (元老會; it was called in ancient days 老成 i.e, old experienced statesman and in a measure resembles the Genro

(*Continued on page 126*)



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Chinese Merchants and Filipino Independence

BY WILLIAM B. GOLDRICK

WHILE Filipino politicos are alternately issuing bellicose demands and pathetic pleas for sympathy, while American sentimentalists tearfully write their congressmen for the weal of that proud nation held in subjugation under the American flag, the Chinese residents of the Philippines—the merchants and manufacturers in particular—look with alarm upon each fresh outburst of independence propaganda, and visibly tremble with each apparent indication that the Pearls of the Orient may be set free. And well they may.

Since the occupation of the Philippines by the Americans, Chinese interests have become enormous. Five per cent of the total population of the Islands—which is about eleven millions—may be counted as Chinese, and of this five per cent well over half engage in merchandising. As is the case with Chinese merchants in Malaya, Borneo, the Dutch East Indies, the islands of the South Seas, and—in fact—throughout the world, they are thrifty, industrious, and enterprising. Each city has its prosperous Chinese quarter; the remotest barrio has its Chinese merchant, who, by the employment of the qualities mentioned above, has drawn into his hands the larger proportion of local trade. These merchants have invested their savings in houses and land which they rent to their Filipino neighbors, and have thereby secured a further grasp upon their communities. A smaller group of the Chinese residents of the Philippines has entered different fields and has secured corresponding preeminent positions. Thus, the pearl industry of the Sulu archipelago is largely Chinese controlled; a great deal of copra, hemp, and kapok passes through Chinese hands; and practical monopolies have been secured in certain manufacturing industries, notably the shoe industry. All in all, it is safe to say that the value of the total volume of Chinese business compares favorably with that of American, English, Spanish, or Filipino business in the Philippines.

This condition has mainly developed during the American regime; it was not so much true during Spain's dominion, and it is a burning question in Chinese circles what the condition will be when—or if—America withdraws from the Islands and leaves the Filipinos to rule themselves and the aliens in their midst as they see fit. It is even with the expectation of a disastrous change in the old order that the possibility of independence is contemplated. There are, indeed, sufficient grounds for such a view.

Considering the question in a general way, first of all, there has long been a bitter antagonism between the Filipino and all of his pagan neighbors, and, whenever possible, persecution by the Filipino. Numerous members of non-Christian tribes in the mountains of Luzon will bear witness to this. Occasional members of these tribes are induced to descend from their rocky fastness for the purpose of attending the government schools, and are given pensions by the government while doing so amounting to fifteen pesos a month. Certain charitable Filipinos of the lowlands, trading upon the ignorance and gullibility of the pagan Igorots or Ilongots, as the case may be, seize upon the students and induce them to make over their pensions to their benefactors in exchange for the privilege of working as servants while not attending classes. While the Chinese are not fools enough to be taken in by such tricks as this, the treatment of the pagan mountaineer is indicative of the attitude of the Filipino. The occasional scandals which disrupt the Bureau of Non-Christian Tribes—the head of which is a Christian Filipino—occasioned by protests against the treatment accorded those controlled by the Bureau, are further revealing.

For a more direct evidence of the antipathy existing on the part of the Filipino for the Chinese, it is necessary to go back to the time of Spanish control. The small Chinese merchant was then considered a fair target for any act of violence, particularly those in the smaller provincial towns where the arm of the law did not quite sufficiently extend to insure complete protection. Robbery and arson were commonly inflicted, and prevailed to such a serious extent that the Chinese merchant rarely owned the building in which he conducted his business, nor was he often to be found in the barrios, where protection was practically nil. It was only with the American occupation that he dared branch out, thereby not only increasing his own prosperity but conferring a distinct advantage and convenience upon the remoter districts. It is a question what would be the effect of America's withdrawal upon these thousands who carry to the provincials the products of civilization; a reversion to the conditions of thirty years ago is to be feared.

This is all the more to be feared when we consider a recent bill introduced into the Philippine congress, a bill which was quashed by the Federal Supreme Court, a bill which was aimed squarely at the Chinese merchants in the Philippines, and which evidenced the enmity that is held toward them. The bill—known as the Bookeeping Bill—proposed to require every merchant to keep his accounts in English, or a recognized dialect of the Philippines. The avowed purpose of the bill was to render easier the enforcement of the Sales Tax, a tax levied upon merchants and the amount based upon one and one half per cent of the sales recorded in their books. This was manifestly unfair to the Chinese, since majority of them—although able to speak English, or one of the dialects-can write none but their native language. The Federal Supreme Court by declaring the bill illegal saved the Chinese from an almost impossible situation. But what might have happened had there been no American controlled court?

That a long and severe business depression would follow the withdrawal of America from the Philippines is apparent to the most casual observer—thereby further embittering the cup for the Chinese merchant. The present state of the Philippine National Bank, operated mainly by Filipino talent, gives us an inkling of the financial chaos the Islands would experience if left without American guidance. Constant altercation between Moros and Filipinos, certain to occnr. would not help matters, And the "squeeze" system, not entirely unknown, seldom has a salutary effect upon a country's welfare. In view of these things, it is safe to predict several lean years for the Chinese (or, of course, any) merchant in the event of independence, whether or not ill feeling or discriminatory legislation are indulged in.

The chill which pervades the atmosphere of Chinese sections when the independence movement receives an impetus or a new and powerful adherent to its cause is no more than justifiable, upon consideration of these facts. The expulsion of a foreign race from a country because of enviousness of its possessions is not altogether without historical precedent. While such a physical action is not likely to occur in the Philippines, the same result may be obtained by the employment of the weapons herein mentioned.

(*Continued from page 124*)

of Japan, but less effective) which made such a credible showing early this year in Peking. Undoubtedly such an institution will do much benefit to China in the period of her transition and in matters of national importance by the mature advice its members can give.

Lastly, leadership is liable to take a bigger share in the settlement of China's national problems. As was said, the constructive forces in China are growing but they are not as yet strong enough to do much constructive work. One may regard as certain that the probable time needed to effect a national unification will be short or long according as leadership or rest of the constructive forces will be the deciding factors. If these latter forces are used as a criterion, it may take a long time. On the other hand, if a real leader emerges in China today, China can expect a settlement within a comparatively short time. But this leader, on whose shoulder will depend the task of guiding the transition must be a man of the greatest ability and of the highest integrity.

Industrial Machinery Market in China Shows Expansion

Imports of industrial machinery in 1924 represent four times the volume of pre-war importations, according to the United States Department of Commerce reports, whose figures are the latest tainable.

This showing is considered a tribute to the remarkable trade vitality of China, arguing well for renewed activity when conditions become favorable. This trade expansion is also indicative of the growing industrialization of China.

It is interesting to note in the commerce report that the United States and Canada have advanced from fourth to second place and that Germany has almost regained her pre-war prominence in the market. Great Britain heads the list, with the United States and Canada second, Japan third, and Germany fourth.

Imports of propelling machinery such as boilers, turbines, etc., show up strong. while textile machinery imports have been steadily decreasing since the abnormal boom of the World War. The market for machine tools is closely contested, while brewing, distilling machinery imports show a decided increase.

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While you are planning your trip to the States, remember that you can make hotel reservations for New York and other important cities right here at home. In the case of the Statler-operated hotels, see any office of Messrs. Thos. Cook & Son, or the American Express Company, or the American-Oriental Banking Corporation — or the principal hotels and steamship offices in the larger cities of the Orient. Reservations so made can be depended upon absolutely.

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Shanghai's Exports to U.S.A. for August 1926

The following table issued by Edwin S. Cunningham, American Consul-General, Shanghai, China, shows the quantities and values of declared exports from Shanghai, China, to the United States for the month of August 1926 and the period from January 1 1926, to August 31, 1926.

VALUE IN UNITED STATES CURRENCY

Articles	*Unit of Quantity*	Aug. *1926* *Quantities*	*Values*	*Total for year up to* Aug. *31, 1926* *Quantities*	*Values*
Group 0—Animals and Animal Products, except Wool and Hair (Class 101—9939)					
Meats					
Egg albumen dried	lbs.	142,300	98,063	1,117,436	741,613
„ „ fro.	„	.....	.....	320,620	38,075
„ whole, dried	„	.....	.....	.....	.....
„ „ fro.	„	95,610	13,766	499,590	75,336
„ yolk dried	„	288,472	96,967	549,862	179,302
„ „ fro.	„	570	102	531,396	88,307
Hides and Skins, Raw (Except Furs)					
Buffalo	pcs.	.....	.....	17,889	131,020
	lbs.	.....		725,831	
Cow	pcs.	.....	.....	2,381	8,083
	lbs.	.....		28,371	
Deer and doe	pcs.	.....	.....	23,397	10,632
Goat and kid	„	25,908	16,341	3,516,194	3,301,305
Sheep & lamb	„	42,264	47,808	256,222	438,628
Hides and Skins, Dressed					
Sheep and lamb	pcs.	.....	.....	8,346	10,977
Moufflon (pulled Goat Skin)	„	.....	.....	2,000	4,081
Furs, Dressed and Undressed					
Fox	pcs.	.....	.....	971	4,163
Hare & rabbit	„	18,100	2,715	363,756	83,724
Leopard	„	98	1,040	670	8,563
Marmot	„	16,522	22,943	48,393	68,368
Pahmi	„	5,500	4,214	21,700	19,084
Raccoon	„	6,870	15,272	25,736	59,457
Squirrel	„	.....	.....	62,885	9,685
Weasel	„	17,732	18,980	1,280,375	2,069,325
Wolf	„	.....	.....	.....	.....
All others	„	4,055	2,785	45,917	62,291
Manufactures of Furs and Fur Skins					
Sheep & lamb crosses	pcs.	.....	.....	652	4,464
Goat & kid crosses	„	.....	.....	4,399	8,396
Dogskin mats	„			16,135	33,693
Miscellaneous Animal Products					
Feathers	lbs.	70,099	28,890	1,132,054	511,375
Intestines	„	47,821	35,779	911,798	817,210
			$405,665		$8,787,157
Group 1—Vegetable Food Products, Oil Seeds, Expressed Oils and Beverages (Class 10311—17801)					
Fruits and Nuts					
Peanuts, shelled	lbs.	.....	.....	12,000	555
Oil Seeds and Vegetable Oils and Fats					
Sesame seeds	lbs.	.....	.....	224,100	10,581
Vegetable tallow	„	.....	.....	.....	.....
Wood oil	gallons	57,457	52,594	186,925	182,326
Cocoa, Coffee, Tea and Spices					
Tea	lbs.	1,590,519	472,097	5,665,178	1,557,416
			$524,691		$1,750,878
Group 2—Other Vegetable Products, except Fibres and Wood (Class 20011—29616)					
Gums, Resins & Balsams, N. E. S.					
Camphor, crude	lbs.	6,666	3,155	111,408	54,370
Crude Drugs & Essential Oils, N. E. S.					
Camphor oil	lbs.	.....	.....	10,496	990
Rhubarb	„	30,002	7,466	65,541	17,158
Dyeing & Tanning Materials of Vegetable Origin					
Gallnuts	lbs.	.....	.....	28,073	304,000
Tobacco					
Tobacco leaf	lbs.	.....	.....	1,885	357
			$10,621		$100,948
Group 3—Textiles (Class 30011—39593)					
Cotton					
Cotton, raw	lbs.	.....	.....	.....	.....
„ waste	„	25,161	1,774	295,580	26,732
„ laces & embroideries		151,011	.....	.....	1,422,443
„ misc. manufactures		.....	.....	.....	5,034
			$152,785		$1,454,200

Other Vegetable Fibres, N. E. S.					
Hats, fibre	doz.	45	320	1,692	22,123
„ rush	„	5,125	1,050	46,367	27,852
„ straw	„	.....	.....	4,240	8,810
Straw goods		.....	1,635	.....	25,573
Mattings	sq. yds.	.....	.....	1,796	196
Wool and Hair					
Carpets, wool	sq. yds.	925	9,430	6,388	56,365
Wool, sheep's	lbs.	295,881	55,805	1,678,799	334,448
Hair, human, Asiatic	„	27,131	10,643	183,768	71,655
„ nets human	„	6,908	53,932	38,673	328,026
„ stumps, human	„	45,694	16,803	685,261	265,139
Silk					
Silk, raw	lbs.	446,338	2,125,910	3,345,065	16,812,818
„ wild	„	49,955	138,809	1,174,296	3,061,091
„ waste	„	346,870	236,726	2,321,130	1,641,320
„ pongee	„	15,855	50,451	181,595	579,811
„ piece goods	„	415	2,794	39,460	299,159
„ cocoons, pierced	„	.....	.....	17,386	21,122
„ misc. manuf.	„	.....	5,611	.....	24,759
			$2,862,704		$25,034,467

Group 4—Wood and Paper (Class 40181—48724)

Manufactures of Wood					
Wooden ware		.....	711	.....	7,667
Lacquerware		.....	1,234	.....	4,094
Bamboo manufactures		.....	.....	.....	4,584
Books and other Printed Matter					
Books		.....	1,141	.....	13,825
Paper, Except Printed Matter					
Parasols	pcs.	.....	.....	122,659	24,528
			$3,086		$54,698

Group 5—Non-Metallic Minerals (Class 50011—59590)

Clay And Clay Products					
Chinaware. Porcelain, Pottery, etc.		.....	3,437	.....	13,992
Other Non-Metallic Minerals					
Jadeware		.....	123	.....	146,332
Soapstone ware		.....	2,881	.....	23,201
			$6,441		$192,525

Group 6—Ores, Metals and Manufactures, except Machinery & Vehicles (Class 60011—69999)

Aluminum, Antimony and Cobalt					
Antimony, crude	lbs.	.....	.....	.....	.....
„ oxide	„	.....	.....	56,000	7,597
„ regulus	„	224,000	26,770	1,836,000	244,536
Copper, Brass and Bronze					
Brass & manufactures of		.....	29,423	.....	185,139
Precious Metals, Jewelry and Plated Ware					
Gold bars	ounces	.....	.....	.....	.....
			$56,193		$437,272

Group 7—Machinery & Vehicles (Class 70011—79361)

NIL *NIL*

Group 8—Chemicals (Class 80021—87519)

Chemicals					
Musk	lbs.	.....	.....	98	$19,331

Group 9—Miscellaneous (Class 90101—99999)

Art. works					
Art. works of		.....	29,716	.....	128,967
Miscellaneous					
Bristles	lbs.	33,710	48,115	265,804	279,095
Household & personal effects		.....	1,209	.....	6,109
Unenumerated articles		.....	239,009	.....	2,207,605
			$318,049		$2,621,777
Grand Totals			$4,187,450		$38,999,053

RECAPITULATION	*Total for year up to Aug. 31, 1925*	*Total for year up to Aug. 31, 1926*
Group 0—Animals and Animal Products, except Wool and Hair,	$11,039,202	$8,787,157
Group 1—Vegetable Food Products, Oil Seeds, Expressed Oils and Beverages,	1,180,081	1,750,878
Group 2—Other Vegetable Products, except Fibres and Wood,	178,340	100,948
Group 3—Textiles	23,280,330	25,034,467
Group 4—Wood and Paper	86,195	54,698
Group 5—Non-Metallic Minerals	54,385	192,525
Group 6—Ores, Metals and Manufactures, except Machinery and Vehicles	464,738	437,272
Group 7—Machinery and Vehicles	NIL	NIL
Group 8—Chemicals	47,224	19,33
Group 9—Miscellaneous	1,040,499	2,621,777
	$37,370,994	$38,999,053

Open Hearth Steel Process Rails Are Replacing Bessemer Rails China

Because of its greater resistence to wear. higher impact resistence and greater hardness, the Open Hearth Steel is replacing the heavier and more expensive, Basic Bessemer rail, according to a Department of Commerce report issued by Mr. Julean Arnold.

Railway engineers in China are showing preference for this rail and are placing heavy orders with the United States Steel Corporation.

It is contended by the advocates of the Open Hearth process that Basic Bessemer rails weighing at least *75 lbs.* per yard would be required for the same traffic as *60 lb.* Open Hearth rails. Reducing these figures to cost values, it is to be noted that 1 mile of 75 lb. rails-117.86 tons of 2240 lbs. each at G$35.00 per ton, Basic Bessemer steel, which is equivalent to G$4,125.00 per mile. 1 mile of 60 lb. rail-94.29 tons of 2240 lbs. each at G$40.00 per ton, Basic Open steel, which is equivalent to G$3,771.50 per mile.

It will be observed from comparing the above figures that an actual initial saving of G$355.50 per single track mile is effected through the use of a lighter section Open Hearth rail which it is contended will at least equal if not exceed the service of the heavier Bessemer rail. In the same way an eighty-five pound Open Hearth rail, will sustain at least the same amount of treffic as a 100 Bessemer rail.

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1926 TO PUGET SOUND - ELECTRIFIED

News from South China

The 200 Strike Committee leaders who have been heading the work of enforcing the anti-British boycott and who were guests at dinner of the Kuomintang several evenings ago when they were informed of the Kuomintang proposal to end the strike and boycott in Canton have strongly denied the accusation of the so-called "Prince Clique" that they have been bribed to agree to a settlement of the boycott issue. They have only been informed that, as far as the Kuomintang is concerned, the boycott will be off; but that the workers will not be restrained to labour for the boycott of British goods and to enforce the non-cooperation with British policy.

Mr. Eugene Chen, acting Kuomintang Minister of Foreign Affairs, has informed the British Consulate-General at Canton that arrangements have been made with the Strike Committee for the termination of the boycott but added that "to what extent this step will lead to a restoration of Chinese British trade relations must depend on British policy and action and on British comprehension of Chinese Nationalism, its ideas and force as a principle of energy in the work of unifying and modernizing China". It is most likely that the boycott will end before October 10th and perhaps on October 1st, provided that there will be no objection on the part of the workers.

Chief Justice Loo Hing-yuan of the Kwangtung High Court is asking the Board of Indictments of the Kuomintang in Canton to hold Dr. Chao S. Bok, formerly Kuomintang Supreme Court Justice, on perjury charges. Dr. Bok recently accused Judge Loo of criminal libel with respect to certain statements concerning Dr. Bok as Kuomintang Chief Justice and made by Judge Loo then Attorney-General. The District and the High Procuratorates in Canton and the Board of Indictments all have failed to find a true bill against Judge Loo. The case has attracted considerable attention in Canton recently on account of the prominence of the persons concerned. Dr. Bok is a Columbia University graduate, while Mr. Loo, an Oxford A. M. and LL. B., and British barrister-at-law.

Dr. Chao S. Bok is being advised by Mr. Sun Fo, leader of the "Prince Clique" of the Kuomintang, to drop out of Canton the sooner the better, it is reported. The general impression has been that Mr. Sun was backing Dr. Bok in his attempt to drive Judge Loo out of office in order to replace Judge Loo with Dr. Bok.

Messrs. Jardine, Matheson & Company, general managers for the Indo-China S. N. Company, Ltd., in Hongkong, have announced that if sufficient inducement offers itself, they will accept cargo direct for Shanghai, Chefoo, and Tientsin, leaving Canton first of October, beginning with S. S. *Cheongshing*, one of the first British coastal steamers to sail into Canton again since the boycott is to be terminated. For the present *Cheongshing* is plying Canton and Hongkong weekly.

To get rid of Mr. Hu Han-min from China, the Kuomintang has offered him a gift of $10,000 to enable him to go abroad. Mr. Hu Han-min, one time Tuchun of Kwangtung and Minister of Foreign Affairs of the Kuomintang, is now in Shanghai plotting with the "anti-Reds" to oust General Chiang Kai-shek, M. Borodin, and others from power in Canton. Since Mr. Hu is a Kuomintang and has sworn allegiance to the Party, pledging to obey its laws, he is not supposed to disobey party command, unless he is ready to be read out of the party.

The 59th Regiment of the Kuomintang Army has issued a manifesto denouncing the actions of the pickets of the Strike Committee at Heungshen, attacking the whole picket system in general. This is believed to be the first instance in which the militarists in Canton have openly questioned the pickets' authority.

The Sunning Railroad in Toyshan, connecting Kongmoon and Towshan, now the only private controlled line in Kwangtung, is to be soon taken into full Kuomintang direction, under the pretext of military necessity. Mr. Chan Yee-gee, head of the line since its construction, has several times failed to hand over the line to the Kuomintang as suggested but has appealed to overseas Chinese in Hongkong and United States for aid in opposing the proposed Kuomintang "nationalization" policy. Now the Kuomintang has succeeded in getting the railroad workers to advance a number of demands which the management cannot afford to comply with for the time being. The workers have gone on strike since September 15th, and on the ground that interruption of traffic would endanger military movements, the Kuomintang is to take over the line, pending readjustment of the difference between the employes and the management. The shareholders of the line, however, have decided to fight hard against the "nationalization" of their property.

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Grover Clark, Editor

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Peking, China

The Restaurants Workers Union in Canton, said to be under influence of "anti-Reds", has decided to advise its members not to co-operate with the Kuomintang collector of mah-jongg game licenses. The Kuomintang some weeks ago decided to levy a license fee of 60 cents to $1.60 a game for playing it in public places, hotels, clubs, restaurants. As it would be impossible to collect the fees without the aid of the workers in these places, the latter have been appealed to, but the proposition of the Kuomintang was turned down at a recent meeting.

The "anti-Reds," in publications referring to progress of their movement, say that they have now extended their request to overseas Chinese for support, and among those to first organize an "anti-Red" society abroad are many Chinese in Honolulu. Mr. Li Tai Ming, an "anti-Red" representative from China, arrived at Honolulu August 10th, on his way to America to interest the Chinese there to support the "anti-Red" movement at home. The "anti-Red" society among the Chinese in Honolulu has as its officers Dr. K. F. Li, a physician, who acts as chairman; Mr. Lau Sheung, secretary; and Mr. Yui Ki Chuen, treasurer.

The necessary departure of a number of troops from the Canton Garrison for the newly developed warlike territories in the Eastern Districts of Kwangtung and the Fukien borders is giving Kuomintang-ites in the city no little anxiety; and the departures of families of General Chiang Kai-shek, General Chu Pei-teh, General Tan Yen-kai, and other leading Kuomintang generals are being followed by others of lesser lights. While they are supposed to be going to Wuchang by way of Shanghai to meet the heads of their families, that they are leaving when the rumours are wild has appeared somewhat strange to many. The recent arrest of Dr. Leung Pui-kee by "Reds", some say captured by pirates, right in the midst of troop stations in Canton City, this together with exaggerated alarms created by "anti-Reds" has brought about no little uneasiness to the Canton residents for the time being.

Kuomintang reports that Hoyun, recently captured by "anti-Reds", has been retaken. General Li Yi-piu, who took the city several weeks ago, is now being forced to retreat towards the Kiangsi borders.

On night of September 17th the town of Kaukong, along the West River, suffered a destruction of 118 buildings and loss estimated at more then $1,000,000. The "anti-Reds" attributed the disaster to incendiarism on the part of the Bolshevists who have recently failed to disarm the volunteer corps of the town.

Even "anti-Reds" now admit that nothing could be done by the "anti-Reds" in Fukien before October 10th, as the opponents to Bolshevism are still in want of a leader in South China; and Chinese opinion believes that the "Reds," by taking advantage of the delay on the part of their enemies, may be able to overcome oppositions in Kiangsi and Fukien before the "anti-Reds" would realize their danger. The lull in Kiangsi-Kwangtung-Fukien "fronts" has been due to the concentration of the "Reds" along the borders and the lack of preparation on the part of the "anti-Reds" to undertake any offensive attack.

Since the division of Canton communities into factions politically—the "Reds" and the "anti-Reds"—local feuds have become common. Latest reports indicate that the "Reds" are to suppress all opponents in Fatshan City by taking all opposition leaders into captivity, and the "anti-Reds," who form a majority in the community, have decided to close their street-gates at 10 o'clock every night to prevent entry of large "Red" groups for streetwarfare purposes. The "Reds" burned down 118 buildings of their political opponents on September 17th, in Kaukong, a Canton silk market centre.

On September 16th, some pirates operating as "Reds" succeeded in commandeering a two-boat plying between Canton and Kongmoon. Taken with the boat were more than 150 passengers who are now being held for ransom, aside from nearly $50,000 freight and valuables. Canton-Kongmoon traffic has been peaceful for some time, nearly a week having been passed without "Reds" interfering vessels for protection fees.

Mr. Lee Luke Chiu, Commissioner of Industry in Canton, has been appointed by the Kuomintang to act concurrently as Chairman of the Commission for Overseas Chinese Affairs. The object of the Commission is to protect the interests of Chinese abroad and to afford assistance to overseas Chinese returning home to enter into industrial pursuits. Mr. Lee was one time a student in America and is well informed in Chinese conditions abroad.

The Canton Postmen's Union, with support from postal employes in the districts, is again considering of going on strike. The Union is asking on behalf of its members higher pay and better service conditions. Since the Kuomintang rule and increase in general prices all around,

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practically every line of trade has received an increase in pay; but postal employes in Canton are working under national rules issued from Peking, and the Canton Chinese Post Office authorities are under no condition to grant relief to the postmen without reference to Peking. Peking authorities have now sent agents to Canton to study the special circumstances now prevailing and may see their way to improve the working conditions of the outdoor staffs of the service.

In order to prepare women to enter Kuomintang party service, the Kuomintang Division for Women will, beginning October 3rd, examine women candidates for public service, giving successful candidates further instruction in a short course in political science before appointments to active duties. The short course will start first of October. The course will be conducted from six o'clock in the afternoon to nine in the evening until 31st of December.

More than 350 Chinese students from Shanghai, moved by the success of the Kuomintang in arms at Wuchang and other parts of Hupeh, are arriving at Canton to be asked to be taken into the Whampoa Military Academy for instruction.

Chinese employes who have been with Shameen foreign firms before the anti-British boycott and strike are being informed that they may return to their employment, but without the pay while on strike; but when working on Sundays, extra compensation will be made.

The Kuomintang is rushing from Canton $5,000,000 worth of treasury notes to Hankow for circulation there.

The Kwangtung Provincial Executive Council, the chief authorities over the districts of Kwangtung, is to be enlarged by the addition of three more commissioners who are to look after the departments of public welfare, local defence, and other matters, in addition to the commissioners of civil affairs, education, lands, industry, finance, reconstruction, and agriculture and labour. The provincial administration of Kwangtung has no official like the governor but a council of commissioners only. The chairman of the council, now the commissioner of civil affairs acting, is not enjoying the rights of a civil governor but is simply presiding at council meetings.

Mrs. Wu Te-chen, wife of the former Canton chief of police now still in military prison at Boccas Tigris, near Canton, was over-joyed the other day when finding her husband still alive. While in Shanghai, Mrs. Wu was informed that her husband had been executed by order of General Chiang Kai-shek. As she has two sons still living, she naturaliy wishes to give their father a decent burial, but on returning to Canton, they all found that Mr. Wu is well.

As the levy of new and additional Customs duties will involve protest from Powers other than Great Britain, the British Consul at Canton has forwarded Mr. Chen's proposal to the British Minister at Peking.

As the Kuomintang, upon controlling the Government of the country, expects to repudiate the un-equal treaties limiting Chinese Customs, the present proposal of Canton to levy the generally agreed additional duties without further action of the Tariff Conference is considered as a challenge of the still unrecognized Kuomintang to the Powers to deal direct with Canton of let it do as it pleases.

Canton, Sept. 25, 1926.

Chinese Student Wins High Engineering Prize

Chien Chang-kan, a Chinese student at the Rensselaer Polytechnic Institute, Troy, N. Y., has been awarded the Macdonald Prize of $2,000 for the best graduation thesis of the year, according to letters recently received in Shanghai. This was the first instance in the history of the Institution where the coveted honor has been awarded to a foreign student.

The graduation thesis submitted by Mr. Chien consisted of an engineering analysis of the so-called Fox River water supply project for the city of Albany, N. Y. The thesis was published in the local Albany newspapers and attracted considerable attention in engineering circles and with the public generally.

Mr. Chien entered the Rensselaer Polytechnic Institute in 1922 as a sophomore, having transferred from one of the Southern universities. He soon attracted the attention of engineers and his winning of the Macdonald prize won him a national reputation in the United States. He is now engaged in engineering work in Florida for Gabriel R. Solomon, an engineering contractor of Troy, N. Y.

Men and Events

W. B. Wilson, Jr., of the U. S. Consulate-General at Shanghai has returned from a vacation in Japan.

W. Turner, general manager in the Far East for *Reuters*, has returned to Shanghai from a vacation in Japan.

George Schloss of the Edgeworth Tobacco Company has returned to Shanghai from a business trip to America.

Mrs. H. R. Snyder and daughter have returned to Shanghai from a vacation of four months spent in California.

Nine Chinese criminals were executed last week at the Lunghua Drill Grounds by the Shanghai military authorities.

Rev. Thomas Kilpatrick, Chaplain on the U. S. S. Huron preached at Community Church, Shanghai, on Sunday, Sept, 26.

Carl F. Rehnborg, manager for Colgate and Company, Shanghai, has returned from a business trip to the United States.

Mrs. C. S. Williams, wife of the Commander of the U. S. Asiatic Squadron, has arrived in Shanghai from San Francisco.

Liang Shih-yi, former Premier and Minister of Finance and prominent member of the Anfu Party arrived in Shanghai last week.

Chinese barber shops in the Chinese sections of Shanghai closed up shop last week on account of a strike on the part of barbers for more pay.

The Union Club of China Shanghai has announced a dinner dance at the Club premises on Thursday evening, October 7 at 8 o'clock, P. M.

The Shanghai American Polo Team defeated the crack polo team of the Fifteenth Infantry at Tientsin, on September 13, the score being 9 to 1.

O. M. Green, editor of the *North China Daily News*, accompanied by Mrs. Green and their childern, returned from vacation at Weihaiwei this week.

Dr. C. T. Wang, former Premier and Minister of Foreign Affairs who returned to Shanghai some time ago now is residing at 205 Avenue du Roi Albert.

A Chinese plumber who was working at the Shanghai Waterworks last week, fell into one of the settling basins and was drowned. His body was recovered.

M. Karakhan, Soviet Ambassador to China has returned to Shanghai from a trip to Canton. He is planning to depart shortly for Moscow, traveling by way of Vladivostok and the Trans-Siberian Railway.

J. E. Swan and Company, Shanghai, have begun publication in the *Review* of weekly cabled quotations of the New York Stock Exchange, the reports being supplied by Hayden, Stone and Company of New York.

H. W. Clair, accompanied by Mrs. Clair, have arrived in Shanghai to join the staff of the Navy Y. M. C. A. Mr. Clair has been stationed at the Walter Reed Hospital, Washington, D. C. and at Camp, Meade Maryland.

Prof. Rufus M. Jones of Haverford College, Pennsylvania, well known as a writer and lecturer, was scheduled to arrive in Shanghai this week for the purpose of delivering a series of lectures before the Y. M. C. A. and local colleges.

The engagement has been announced of Gilbert K. F. Fan to Miss Edith Z. T. Yen, daughter of Mr. and Mrs. M. C. Yen of Shanghai. Mr. Fan, who is a returned student from Great Britain, is connected with the Tobacco Products Corporation at Nanking.

Donald King, Advertising Manager of the *Shanghai Times* was married on Saturday, Sept. 25, to Miss Dolores Ros, the wedding taking place at St. Joseph's Church, the Rev. Father MacDonald officiating. They will reside at the China United Apartments on Bubbling Well Road.

According to a communique issued by the Canton Foreign Office on Sept. 22 the anti-British boycott has been declared off, the declaration stating that the extent which this action might have in restoring British trade being dependent "British policy and action and on British comprehension of Chinese nationalism."

David Fraser, Peking correspondent for the *London Times* who has been home in England on leave, returned to Peking last week. During Mr. Frasar's absence, W. H. Donald, director of the Chinese Government Bureau of Economic Information at Peking, served as correspondent for the *Times*.

Some 300 employes of the Truscon Steel Company of Japan, Ltd., walked out on Sept. 16 on account of a dispute over wages. The plant is located at Kawasaki, near Tokyo. The Truscon Steel Company of Japan, Ltd., is affiliated with

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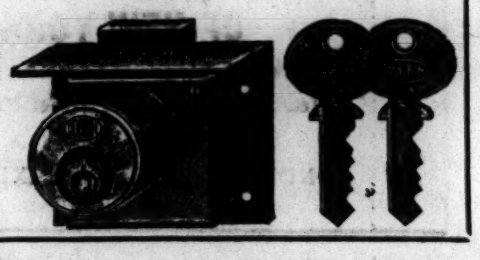

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KIANGWAN ROAD—SHANGHAI

the Truscon Steel Company of America which has a branch office in Shanghai.

A memorial meeting largely attended by local Chinese officials was held in Shanghai on Sunday afternoon, Sept. 26 in honor of the late Hon. Chang Chien of Nantungchow, who died recently. The meeting was held under the auspices of the Kiangsu Educational Association at the Association's building at West Gate.

Frederick W. Stevens, President of the Michigan Trust Company, Grand Rapids, Mich., who traveled in China last year is seriously ill at his home in Grand Rapids, according to recent letters received in Shanghai. Mr. Stevens was formerly representative in China for the American banks in the China Consortium.

According to a recent ruling of the U. S. Federal Trade Commission, importers of Chinese lace into the United States, may no longer label their product "Irish" lace. According to evidence presented to the Commission, it has been a custom of certain importers of Chinese-made laces to label their product in such a way as to lead purchasers to think it originated in Ireland.

A Japanese *Toho News Agency* report from Swatow, Kwangtung Province, this week stated that the number of British residents of Swatow had been reduced from 300 to 100 on account of the anti-British boycott. The report stated that some British ships still call at the port, but they only carry supplies for the local British residents.

The Bishop of London, Dr. Winnington Ingram, has started on a world tour which will include Canada, the United States, Japan, China, Korea, Malay States, Australia, New Zealand and Ceylon. He plans to devote about nine months to the trip and according to a report in the London *Evening Standard* is taking his golf clubs with him.

Julean Arnold, U. S. Commercial Attache in China, has been appointed American representative on the Commission for the Revision of Chinese Tariff Schedules, which is now meeting in Shanghai. This Commission, which is international in its membership will attempt to fix the valuation of various products upon which Chinese customs duties are assessed,

According to a dispatch appearing in the *Shanghai Times* on Sept. 27, E. J. Davies, a member of the China Inland Mission located at the town of Chowkiakow in Honan Province, was kidnapped by Chinese bandits and is now being held for ransom. According to the report, the bandits raided the town, burned tne mission station and murdered a number of the Chinese residents,

The American Chamber of Commerce in Shanghai has received letters from the Chamber of Commerce of Honolulu soliciting the support of the American Chamber here in inducing the Chamber of Commerce of the United States Western Division to hold its annual convention in 1927 in Honolulu. The annual meeting this year will be held on December 6 and 7 at Colorado Springs, Colo.

Fu Siao-en, Chairman of the Chinese General Chamber of Commerce has sent a letter to the Shanghai Municipal Council strongly protesting against what is termed the misuse of Shanghai's streets by trackless trams and busses. The letter states that the operation of these vehicles on narrow streets at high rates of speed endangers the public and that suitable regulations should be immediately enforced.

Mrs. Anne Walter Fearn was hostess to the members and friends of Community Church at her home 30 Route Pichon, Shanghai on Friday, Sept. 24, the entertainment being in the form of a basket supper. The grounds were decorated with electric lights which were festooned about the trees and shrubbery. Mrs. Fearn, who has disposed of her property on Route Pichon, is planning to live for a time at the Majestic Hotel.

The American Players, local American amateur dramatic organization, was highly successful last week in the presentation of the play, "The Best People," which filled the Carlton Theater for three nights, September 23, 24, and 25. The cast included the following, Mrs. Crane, Mrs. Terry, Mrs. Clapp, Mrs. Burdin and Mrs. Whitaker and Messrs. Hykes, Ralston, Winter, Walters, Crane, Burrell, Schinazi and Giovannini.

Beginning October 1, the American Consulate-General at Shanghai has received authorization to issue regular passports good for two years instead of emergency passports for the short term previously allowable.

Nyih Mow-lung and Mao Ching-su, two staff officers of Marshall Sun Chuan-fang arrived in Shanghai, September 27, from Hangchow and Nanking respectively.

Philip K. C. Tyau, who returned to China three months ago after serving as Chinese Minister at Havana, Cuba, was a member of the All-Chinese tennis team which played in Tientsin last week. In an interview appearing in the *North China Star*, Mr. Tyau stated that there are between 30,000 and 40,000 Chinese living in Cuba most of them being of the laboring classes although there are a considerable number of shopkeepers, farmers and small land-owners.

According to letters recently received from Kaifeng, Honan Province, the Government schools, including Chung Chow University, are having great difficulty in opening this fall on account of insufficient funds. It seems that there was only $10,000 available for salaries of professers and since many were in arrears on their last year's salaries, many of the teachers refused to take up their work for the present fall term. The general situation in northern Honan is seriously disturbed on account of the military situation, Chengchow being filled with troops.

Brigadier-General Wang Mai-ching, agent of Gen. Chiang Kai-shek, Kuomintang leader, who was arrested by the Shanghai Municipal authorities some time ago and upon orders of the International Mixed Court, was handed over to the local Chinese auihorities, has been released. Gen. Wang, who was arrested at the Oriental Hotel was charged with having in his possession a considerable sum of money which he was alleged to be planning to use in creating local disturbances. According to report in the Chinese papers last week, he was released on security by the Chinese authorities.

Thomas Steep, correspondent for the New York *Herald-Tribune*, who with Mrs. Steep has been in the Philippines with the Carmi Thompson party, arrived in Shanghai last week and will remain here for several weeks writing material for his paper. Mr. and Mrs. Steep were in China four years ago when Mr. Steep served as Peking correspondent for the *Associated Press*. Mr. Steep is the author of a book on China, "Chinese Fantastics," which has been favorably reviewed and has had an extensive sale. Mr. and Mrs. Steep will live at the China United Apartments on Bubbling Well Road while in Shanghai.

There was a large attendance at the monthly fellowship luncheon at the Union Club, Shanghai, on September 23 when E. M. Gull, secretary of the British Chamber of Commerce was guest of honor. Mr. Gull was introduced by R. Calder-Marshall, President of the Club who stated that Mr. Gull had served as a member of the British Delegation at the Peking Tariff Conference and was now proceeding to London where he had been appointed secretary of the British China Committee and the British China Association. Mr. Gull in response congratulated the members of the Union Club on the growth and success of the organization.

The Russo-Asiatic Bank in Shanghai, which was established in 1896 as the financial organ of the Chinese Eastern Railway, was closed on Monday, Sept. 27 according to action of the head office in Paris. The bank was established as a result of secret negotiations of Di Hung-chang, Chinese viceroy, with the old Czarist authorities and constituted the beginning of the Russian Imperialist adventures in North China which culminated in the Russo-Japanese War in 1904. When China broke off relations with Russia a few years ago the French Government took charge of the Russo-Asiatic Bank in order to protect French interests which had advanced much of the original capital of the institution through Russian interests. According to advices from Paris last week the institution is to be liquidated.

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Developments in the China Situation for the Past Week

That the Northern and Southern forces are now settling down for a genuine test of strength is indicated in news and propaganda reports from the various fronts for the past week. While the Kuomintang forces under Gen. Chiang Kai-shek are in possession of Hankow and Hupeh Province and have driven Marshal Wu Pei-fu northward along the Peking-Hankow Railway as far as Chengchow in northern Honan, their position in Central China is not a firmly established one by any means. The reason for this is that the Northern militarists while for the moment disorganized and nonplussed, may, if given sufficient time, stage a come-back. In the face of the rapidly growing sentiment for the Southern cause among the Chinese people generally, it is highly necessary that the three major factors in the northern situation, otherwise, Wu Pei-fu, Chang Tso-ling and Sun Chuan-fang get together on some program of cooperation, otherwise the Cantonese will sweep the country.

The Calm After the Storm

The situation which now exists is somewhat like the calm which often follows the first blow of a cyclone. Now the various forces are taking stock of the situation produced by the sensational capture of Hankow by the Southerners, and are marshalling their forces for a final fight to the death—or possibly it may result in the usual Chinese compromise—leaving everybody in substantially the position which exists today. As indicated previously there are three major actors left on the Northern political stage, Marshal Wu Pei-fu who is now stationed with the remnant of his forces somewhere near the northern Honan border. Some reports have it that he is at Chengchow. Another important figure in the North is Marshal Chang Tso-ling at Mukden and the third is Marshal Sun Chuan-fang at Nanking. Each of course has his personal following of minor adherents such as Gen. Chang Chung-chang, tupan, of Shantung, a Fengtien man closely allied with Marshal Chang Tso-ling. Then also under the Mukden Warlord is his son, Gen. Chang Hsueh-liang who recently has been showing himself to be a first rate militarist. Under Wu Pei-fu is Gen. Chi Hsieh-yuen, former Tupan of Kiangsu who is in charge of the remnants of Wu's forces at Paotingfu in Chihli Province. And also in the North is the Governor of the so-called "model" province of Shansi, who usually occupies a neutral position and normally favors the Wu Pei-fu side. Marshal Sun Chuan-fang, commander of the forces in Kiangsu, Anhwei, Kiangsi, Chekiang and Fukien is also normally a Wu Pei-fu man, but like all the other military figures plays his own game unless circumstanc s forces him to make a combination with some other militarist. The fact that these combinations are being made and unmade almost daily, constitutes the principal reason why it is so difficult to keep up with the political situation.

The Race for Hupeh Province

The Northern militarists, now that they have had a chance to appraise the situation, realize that the permanent possession of Hankow and Hupeh Province by the Kuomintang, creates an impossible situation from the standpoint of their future welfare. A well established and financed Cantonese government at Hankow would be in a position to harass the Capital at Peking and the lower Yangtsze area at Shanghai. The Kuomintang at Hankow would be able to levy tribute upon all merchandise coming down the Yangtsze from Szechuen and upon all merchandise destined for that district from lower river ports. Thus, the Northern militarists are compelled to bury personal animosities and make a serious attempt to drive the Cantonese out of the "Pittsburgh of Asia," otherwise the Wu-Han cities of Hankow, Hanyang and Wuchang. In accordance with this situation it appears now that the Northern "Allies" may attempt to dislodge the Cantonese from Hankow by conducting "drives" along both banks of the Yangtsze, the one on the South bank being under the direction of Marshal Sun Chuan-fang of the Lower Yangtsze Provinces, who is now at Kiukiang personally directing his forces, and the one on the North shore being conducted by Fengtien forces organized by Gen. Chang Chung-chang of Shantung. This latter force probably will move westward along the Lung-Hai railway and attempt to attack the Southerners in Hupeh by way of Honan.

The Return of Feng Yu-hsiang

Marshal Feng Yu-hsiang, who has been in Moscow for several months has now returned to China and according to fairly reliable reports has rejoined the First Kuominchun Army at Lanchowfu in Kansu Province. Since the Kuominchun is now in alliance with the Kuomintang, it is but natural that reports in circulation that Marshal Feng, the "Christian General" is leading his army in the direction of Hupeh Province across Shensi for the purpose of preventing the Northern militarists from ousting the Kuomintang at Hankow. A letter from the *Review's* correspondent at Kuyuan, Kansu, dated Sept. 6 states that the Wu Pei-fu adherents in eastern Kansu were defeated early in the month of September and that preparations are now being made for a "drive" into Shensi. Another general, Fan Chuan-suan, operating in Southern Honan, more or less as a free lance, but affiliated with the Kuominchun, has also been causing the Northern Allies some trouble.

The Situation in Kiangsi

Since the last survey of the situation appearing in last week's issue of the *Review*, the Cantonese forces have advanced into Kiangsi from Hunan and captured Nanchang, the provincial Capital, but apparently the small force of 1,500 men which took the place was not strong enough to hold it, for latest reports state that the place was retaken by Sun Chuan-fang's troops on Sunday, Sept. 26. In addition to this Marshal Sun, according to an interview sent out by the Japanese *Toho News Agency* stated that a force of Shantung troops serving under the Allied flag had captured the town of Tayeh, which is located a few miles down the Yangtsze from Hankow.

Karakhan Visits Shanghai and Canton

M. Karakhan, Soviet Ambassador to China, who visited Shanghai and Canton prior to his departure on Sunday, September 26 for Vladivostok on his way to Moscow, was interviewed by foreign newspaper correspondents in Shanghai and made the interesting statement that Gen. Chiang Kai-shek, the Cantonese leader spent several months in Moscow in 1923, where he was sent by Dr. Sun Yat-sen for the purpose of familiarizing himself with conditions in that country. Karakhan declared that the Soviet Government had not advanced a single dollar to the Kuomintang Party and that all arms and munitions which the Soviet Government had sold to Canton and also the Christian General, Feng Yu-hsiang, had been paid for in cash. He said that Russia was not alone in selling munition to China and that many other foreign nations are also finding a good market here for war equipment. He said that Russia is interested in the Kuomintang Party because that party stands for ideals in which the Soviet is also interested. Karakhan also denied that Russia had instigated or supported the Anti-British boycott, but that Russia was and is supporting the Chinese in the demand for equal treaty treatment. In reference to the question of Soviet influence in Mongolia, the Soviet Ambassador declared that it was necessary for his country to intervene owing to the presence in Mongolia of members of the Russian "Whites" who were plotting against the Soviet. He said that the Soviet had no intention of annexing Mongolia, but favored autonomy for that territory and that Russian interest in Mongolia was "cultural" only.

Peace Efforts Futile

Despite serious effort on the part of organizations of merchants, Bankers, and gentry in the Lower Yangtsze Provinces to induce Sun Chuan-fang and Chiang Kai-shek to refrain from fighting, recent developments during the week tend to show that little can be accomplished in this direction, the reason being that the merchants are without power to enforce their desires. The militarists have control of their armies and the financial supplies and it would be a brave merchant or banker who would court their ill-will. In most parts of the country the responsible merchants and bankers have been forced into the foreign concessions in order to preserve their properties and even their lives, for a wealthy Chinese civilian hasn't much chance when he falls into the clutches of any of the modern militarists in search of funds. He is lucky if he gets away with his life, hence the popularity of the foreign concessions at the treaty ports, despite the alleged arrogance of the so-called foreign "aggressors and imperialists."

The Foreigners in Szechuen

According to a report in the *Hankow Herald* on September 24, the position of foreigners in Szechuen Province has become most precarious since the Wanhsien incident, the account in the *Herald* stating that it had been necessary for all British subjects in Chungking to leave the city and come to Hankow. Similar reports also have been coming in from other Upper Yangtsze towns such as Wanhsien and Ichang. An earlier report, unverified, stated that the British consuls in West China had sent out confidential notices urging British women and children to come to the accessible treaty ports for protection.

Foreign shipping has also been having a difficult time, the militarists on both sides apparently using the foreign cargo boats as well as gunboats as targets for rifles in the hands of the soldiery. A *Reuters* report dated Sept. 24

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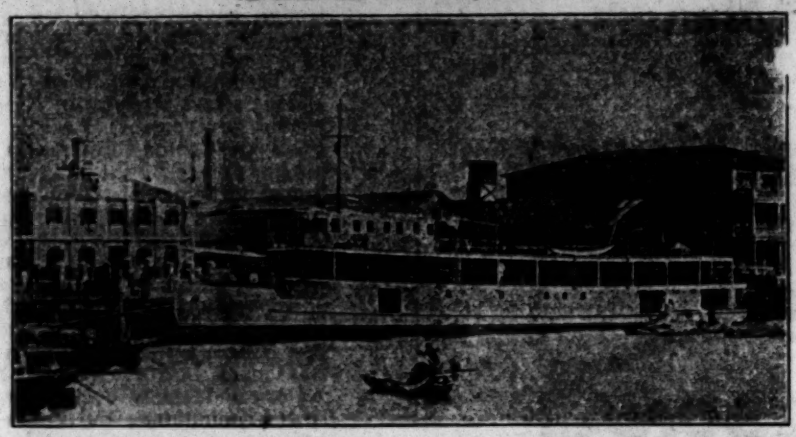

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stated that a launch belonging to Jardine, Matheson and Company, a British firm, had been commandeered by the Southern troops for use in convoying troops across the Yangtsze near Hankow. The two cargo boats belonging to Butterfield and Swire, another British company, the seizure of which by Gen. Yang Sen, the militarist at Wanhsien, precipitated the so-called Wanhsien incident, have been released, according to a report in the *Hankow Herald* on September 23.

China and the League

According to a *Reuters* report from Geneva on September 23, China is mentioned as one of the nations which is behind in its payment of dues to the League of Nations, the other countries being Bolivia, Honduras, Nicaragua, Panama and Peru. China, it seems, heads the list with an indebtedness of 4,500,000 gold francs. China's delegate to the League, in reference to the situation declared that China would pay off her debt to the League if the Powers would agree to an increase of the Chinese Maritime Customs.

In addition to China's financial complications at Geneva, the Chinese delegate at Geneva created a mild sensation during the week by referring the Wanhsien incident to the League for consideration. The chairman refused to consider the proposal for an investigation of the Wanhsien affair by the League on the grounds that the subject was not on the agenda.

The South China Athletic Association will give a dinner to its baseball team, three years champions in Hongkong and holder of the Lai Wah Champion Shield awarded permanently only after winning it three years in succession, on evening of September 29th, when representatives from all clubs of the Hongkong Baseball Association are also invited as guests. The South China baseball team played 15 regular league games, winning 12, losing 2, and drawing one. Mr. Richard Shim, formerly of Honolulu and later of the University of Oregon, is manager of the team with Mr. K. F. June, another former Honolulu boy, as captain. The Hongkong Baseball Association this year has six members: the Hongkong Baseball Club (Americans), the South China, the Club de Recreio (Portuguese), the Filipino Club, the Japanese Club, and the Hongkong Volunteer Corps (British).

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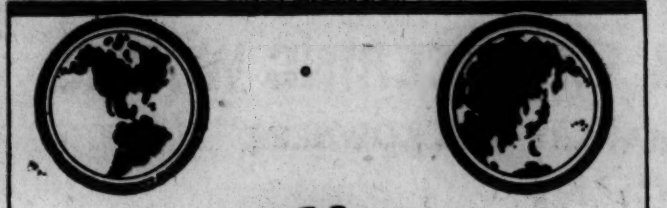

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Political Developments from the Chinese Prsss

September 22,—Japanese dispatch from Kiukiang states that reports are in circulation regarding serious disorder in Nanchang, capital of Kiangsi leading to belief that Kiangsi troops have revolted and gone over to Kuomintang—Hankow Chamber of Commerce negotiating for removal of women and children from Wuchang on account of bombardment—*Kuo Wen* News Agency dispatch from Peking states Ministry of Finance has raised $1,300,000 to enable government to settle accounts for Mid-Autumn Festival—Canton Government appoints Gen. Chiang Tso-ping as chief of military committee in Hupeh and instructs him to organize a provisional government—Chinese dispatch from Nanking states Southern troops have penetrated into Kiangsi to Laokwan—Gen. Chang Hsueh-liang, son of Marshal Chang Tso-ling states that there is no intention of restoring the monarchy—Tang Shao-yi, former premier, now residing in Shanghai, has departed for a trip to the South Seas—Silas Strawn. American delegate to the Tariff and Extraterritoriality Commissions called on Baron Shidehara, Japanese Foreign Minister, before sailing for America—Hankow dispatch states that the political section of the Kuomintang party has appointed a Committee of Fourteen to administer affairs in the Hankow district—Communication suspended between Kiukiang and Nanchang in Kiangsi.

September 23.—Japanese gunboat Hotsu departs from Shanghai for Hankow and gunboat Hira departs tomorrow, Japanese gunboats now on Yangtsze as follows, Toba at Chungking, Seta at Wanhsien, Uji at Shashih, Katada at Shashih, Sumida at Changsha, Tone at Hankow, Ataka at Hankow, Fuji at Tayeh, Susuki at Kiukiang, Hirado and Fushimi at Shanghai—Fall of Nanchang to Southerners imminent—Sun Chuan-fang's troops at Kiukiang greatly stimulated by arrival of Marshal Sun—Gen. Chiang Kai-shek departs for Changsha from Hankow for purpose strengthening Southern defenses—British Minister protests action of Gen. Yang Sen in connection with Wanhsien incident—Marshal Wu Pei-fu retreats to Chengchow, Honan, but other reports state he has gone to Laoyang or Paotingfu—Premier Tu Shih-kwei and Finance Minister, Wellington Koo, both again tender resignations from Cabinet—Admiral Tsai Ting-kan Foreign Minister requests Cabinet to appoint another delegate to Tariff Conference—Gens. Chang Hsueh-liang and Hun Lin-tsung arrive at Tsinanfu, for conference with Marshal Chang Chung-chang—Gen. Ma Tung-yin's troops leave Shantung for Kiangsi border to help Sun Chuan-fang—Japanese report from Peking states Northern Politicians trying to induce Chang Tso-ling to accept presidency—Northerners still trying to patch up scheme for helping Marshal Wu Pei-fu—Nanchang, capital of Kiangsi falls to Southern troops—Propaganda department of Southern troops calls mass meeting of laborers in Hankow—Marshal Sun Chuan-fang attempting to retake Nanchang from Cantonese—Nanchang captured by 1,500 Southern troops under Gen. Chu Pei-tu—Movement to remove Southern Capital from Canton to Wuchang gathering strength, necessitating reorganization of Government—Wang Huai-ching, commander of Metropolitan forces, Peking, again tenders resignation and departs for Ningchin near Paotingfu.

September 24.—Owing to weakening of defenses of Foochow due to withdrawal of troops for Kiangsi front, city being filled with revolutionary elements from Canton, Gen. Chou Yin-jen, Fukien tupan, departs for front at Lungyen—Nanking dispatch states that Gen. Ma Teng-yin departs from Yanchow to Pukow to help Marshal Sun Chuan-fang—Gen. Wang Chan-yuan announces, according to Nanking dispatch that Chang Tso-ling will send 80,000 Fengtien troops to help Sun Chuan-fang—Marshal Sun Chuan-fang orders advance from Hsuishui in direction of Wuchang against Southern troops—Wu Pei-fu reported reorganizing troops at Chengchow, Honan for new attack against Southerners—Marshal Sun Chuan-fang telegraphs Peking demanding release of Salt funds for August for use in paying his troops—Wu Pei-fu appeals for reinforcements to prevent Chengchow, Honan from falling to Southerners—Gen. Chiang Kai-shek appoints Gen. Chen Ming-chu as garrison commander for the Wu-Han cities—Ichang, Szechuen dispatch states Kuomintang strengthening position in western Hupeh—Chu Fu-chen, head of Chekiang Peace Society receives letter from Gen. Chiang Kai-shek stating that he will only agree to peace if Marshal Sun Chuan-fang withdraws his troops inside borders of Kiangsi.

September 25.—Gen. Lu Hsiang-ting, commander of Marshal Sun Chuan-fang's troops at Kiukiang, announced, following a military conference that he expected to defeat the Southerners and recapture Nanchang in four or five days, following which he plans to move on Wuchang—The leading generals assisting Marshal Sun Chuan-fang in the Kiangsi campaign are Yeh Kai-shin, Chao Hung-ti, Chen Tiao-yuan, Lu Hsiang-ting, Wang Pu, Chou Feng-chih and Chen Chun-yen—Gen. Liu Huan-chen, commander of defense at Nanchang in his report regarding the capture of the city by the Kuomintang troops states that the police opened the gates and permitted the Cantonese to enter without a fight—Canton dispatch states that strike pickets have been withdrawn and that immediate steps are being taken to enforce the new surtaxes on foreign imports—Marshal Sun Chuan-fang dispatches 10,000 troops by river boat to Huangshingkung for the purpose of cutting off the retreat of the Southerners and assisting the Northern troops now besieged in Wuchang—Peking dispatch states that Gen. Chi Hsieh-yuan has wired Chang Tso-ling to postpone the movement of Fengtien troops on account of shortage of rolling stock on the Peking-Hankow Railway—Owing to the resignations of most of the Cabinet members the Government at Peking is at a deadlock—Marshal Wu Pei-fu continues to demand funds from the Government—Since all Shanghai consuls have signed agreement for rendition of Mixed Court, *Kuo Wen* News Agency report states that Mr. Cunningham, American Consul, will meet with local officials to wind up the matter—Shantung forces of Gen. Chang Chung-chang reported in preparation for drive into Hupeh—Rumored that Feng Yu-hsiang, the Christian General, now back in Lanchow, capital of Kansu—Sun Chuan-fang now claims 40,000 troops in Kiukiang district for service in campaign against Southerners in Kiangsi, claim made by Marshal Sun that Southerners only have 20,000 troops—Representatives of Kiangsu, Chekiang and Fukien Provinces arrive in Hankow to urge for peace between Sun Chuan-fang and Chiang Kai-shek—Admiral Tsai Ting-kan, Minister of Foreign Affairs has gone to the French Hospital in the Legation Quarter and refuses to see visitors—Practically all Cabinet officers now refusing to serve, including Premier, Tu Hsieh-kwei, Minister of Finance, Chang Kuo-ken, Minister of Finance, Wellington Koo, Minister of Communications, Chang Chih-tan.

September 26.—Marshal Sun Chuan-fang claims to have cut the Kuomintang line at, Nanchang, Kiangsi and to have advanced across the Kan River, Sun's report stating that the Kuomintang vanguard had advanced so rapidly that it was not in touch with its rear, also that Southerners were without heavy artillery—Allied troops under Gen. Wang Tung have arrived at Lianghsiang by way of Changhsintien to assist Wu Pei-fu-Whereabouts of Christian General Feng Yu-hsiang, but report by Gen. Kao Wei-yo, Tartar general of the Chahar Special District states belief Feng has gone to Canton for conference with Kuomintang leaders—Arrangements agreed upon for evacuation of women and children from Wuchang—Railway cut between Nanchang and Kiukiang, Sun's forces claiming to have defeated and forced retirement of Southerners from Nanchang—Twenty thousand people participate in mass meeting at Hankow to welcome the Kuomintang, all coolies in district suspending work to participate in welcome—In accordance with reported agreement between Gen. Chang Chung-chang of Shantung and Sun Chuan-fang of Kiangsu, Shantung will send 500,000 troops along the Lung-Hai Railway to attack the Kuomintang in Hupeh Province, the Shantung force to be commanded by Gen. Chu Yu-puh as commander with Generals Sun Chung-hsien and Pi Shu-chen cooperating as vice-commanders—Reported by *Kuo Wen* News Agency that agreement practically reached for evacuation of Northern troops from Wuchang, Gen. Liu Yu-tsung, Northern commander to be made divisional commander under Kuomintang—Chinese General Chamber of Commerce at Shanghai circularizes members asking their views on the question of revising the Sino-Belgian Commercial Treaty—Kuomintang planning organization of a Central Political Committee to function at Hankow, while matter of removing Southern capital to Wuchang held in abeyance.

September 27.—Marshal Sun Chuan-fang in interview with Japanese *Toho Agency* stated Nanchang captured by his forces and that determined drive started for driving Kuomintang out of Hankow—Martial law established Foochow owing Kuomintang propaganda—Rumored Chang Chung-chang organizing force 100,000 Shantung troops purpose advancing on Hupeh Province over Lung-Hai Railway—Gen. Chi Hsieh-yuan, ally of Wu Pei-fu removed headquarters to Paotingfu from Changhsintien—Admiral Yang Shu-chung, commander of Navy arrived Kiukiang purpose cooperating with Sun Chuan-fang—Ministry of Foreign Affairs announces appointment of representatives of

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Chinese chambers of Commerce and Bankers Guild on Good Valuation Conference, Shanghai—Sun Chuan-fang orders airplanes to Kiukiang—Dispatch from Wanhsien states Yang Sen planning force down river purpose attacking Kuomintang at Hankow—Mukden authorities announce lifting ban on export of cereals for purpose of restoring paper currency impossible—Hold meeting Peking Cabinet owing continued absence Premier Tu Shih-kwei—Claimed Gen. Wang Tung's troops reached Lianhsiang purpose assisting Wu Pei-fu—Kiukiang packed with refugees owing fighting vicinity Nanchang—Kiangsu Educational Association holds memorial meeting in honor of Chang Chien, industrial magnate, Nantungchow who died recently, meeting attended by V. K. Ting, mayor, Yuan Shi-tao, ex-minister of Education, Chang Chia-sung of Boxer Indemnity commission and representatives of local organizations and provincial officials.

September 28.—Admiral Tu Shih-kwei invites Dr. Wellington Koo to accept premiership, but Koo refuses—Kiukiang report states that when Shantung troops attacked Tayeh, they found only 300 Southern troops in possession—Reported Southern troops in Nanchang district also reterating—Number of British residents in Swatow district reduced from 300 to 100 on account of anti-British sentiment practically stopping all trade—Plan to remove women and children from Wuchang fails and Southern forces decide to establish strict blockade—Gen Fan Chung-hiu arrives with troops to assist in attack on Wuchang, it being thought by Southerners that the city may be carried by storm—Five Hundred Szechuenese residents of Hankow meet to consider Wanhsien incident and decide upon the following (1) That the whole nation be appealed to in order to obtain a satisfactory settlement; (2) That the whole nation be asked to attack British imperialism; (3) That all Szechuen troops be asked to cease internal fighting in order to join the National Revolutionary Army; (4) That Canton be asked to conduct the diplomatic formalities instead of Peking; (5) That a standing committee be formed to help the Government in obtaining satisfaction—Dispatch from Hsuchowfu states that two brigades under Generals Chen Kwan-tsu and Li Chung-yi belonging to Marshal Sun Chuan-fang and stationed in the vicinity of Fenghsien and Peihsien, have been transferred to the Kiangsi border—According to *Kuo Wen News Agency* more than 17,000 troops have been enlisted by Marshal Sun Chuan-fang for use in the present war with the Southern forces in Central China.

(Continued on page VI)

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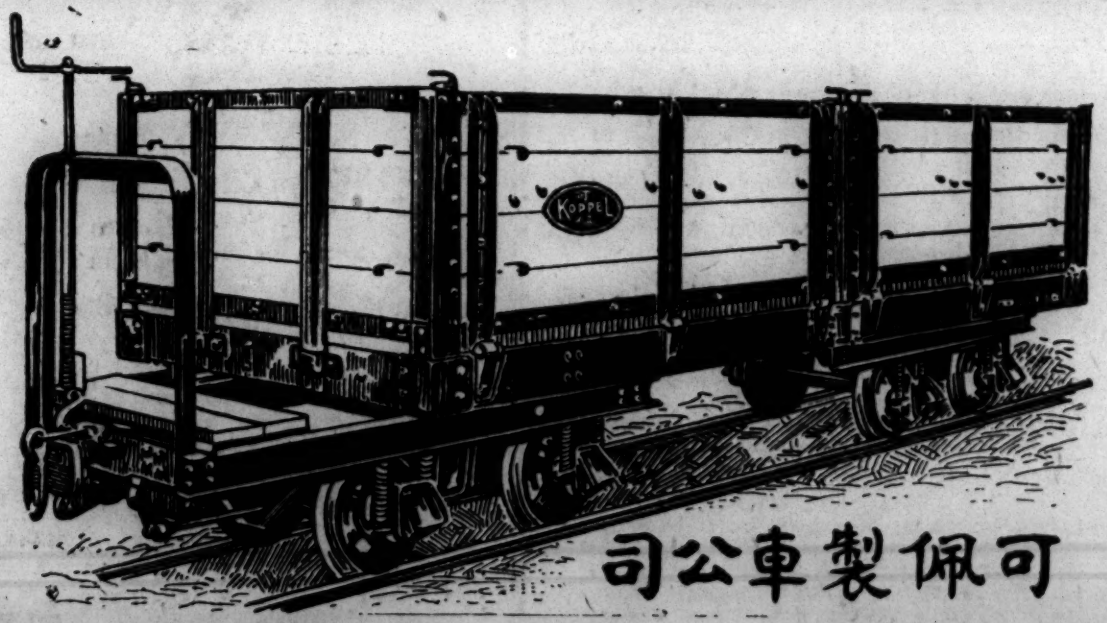

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New Books of Interest in the Far East

Bertrand Russell's Book on Education

Education and the Good Life: Bertrand Russell, Boni and Liveright, New York, U. S. A.

Dr. John Dewey of Columbia University in an appreciative note appearing on the front cover of Russell's "Education and the Good Life," says, "I call Mr. Bertrand Russell's book a fine contribution to the literature of education as religion." Hence there isn't much more that could be added in reference to this important work, which in Dr. Dewey's opinion is characterized by "enlightened empirical common sense." For that is just what the book is,—enlightened common sense—on the education of children.

Of particular interest is his reference to defects in the educational systems of Japan, Great Britain and America. Only a desperate need of self-preservation, could have justified the educational methods of Japan, declares Mr. Russell, which he explains to the following effect, "The Shinto religion, which must not be called in question even by university professors involves history which is just as dubious as Genesis; the Dayton trial pales into insignificance beside the theological tyranny in Japan. There is an equal ethical tyranny: nationalism, filial piety, Mikado-worship, etc., must not be called in question, and therefore many kinds of progress are scarcely possible."

The author is equally outspoken in reference to what he calls defects in the English system of education. "The battle of Waterloo," he declares, "may have been won on the playing-fields of Eton, but the British Empire is being lost there. The modern world needs a different type, with more imaginative sympathy, more intellectual suppleness, less belief in bulldog courage and more belief in technical knowledge. The administrator of the future must be the servant of free citizens, not the benevolent ruler of admiring subjects. The aristocratic tradition embedded in British higher education is its bane...."

From the standpoint of the educational system of America, Mr. Russell states, "In so far as the school can rely upon the genuine merits of America, there is no need to associate the teaching of American patriotism with the inculcation of false standards. But where the Old World is superior to the New, it becomes necessary to instil a contempt for genuine excellences..... In almost all European countries the individual is less subject to herd domination than in America: his inner freedom is greater even where his political freedom is less. In these respects, the American public schools do harm. The harm is essential to the teaching of an exclusive American patriotism..."

However, the chief value of "Education and the Good Life" is in its common sense suggestions for the education of children, beginning with the child almost immediately following birth and extending through the formative period. There are a number of references to the excellencies of the Chinese educational system, which leads us to think that Mr. Russell must have been provided with some excellent plan which exists on paper only, for as everyone familiar with present conditions in China knows, the only system of continuous education now in existence in China is that provided by the foreign missionaries. China may have an excellent educational system, but owing to the commandeering of the public funds of the country by the militarists, the plan is nothing but a paper plan at the present.

Some of the chapter headings serve to give an idea of the inclusiveness of the book, "Fear," "Play and Fancy," "Constructiveness" "Selfishness and Property, Truthfulness," "Sex Education," and so on. The book is an important contribution to education and the good life and as stated previously, its chief value rests in its practical character and matter-of-fact, every-day value of the advice therein contained.

B. J.

Bennett of the Herald

When James Gordon Bennett Was Caliph of Bagdad, by Albert Stevens Crockett; Funk and Wagnalls Company, 1926, 414 pages, illustrated, $2 gold.

When James Gordon Bennett Was Caliph of Bagdad is a delightful book wherein appear the ghosts of celebrities once known internationally, as they appeared to a ships news reporter and European correspondent for a New York newspaper. As a narrative of a newspaperman's life, Mr. Crockett's book is interesting and entertaining, but there are two faults. First of all, the title is misleading to the extent that the average reader will expect to find an account of the life of the younger Bennett when the work might better be called "Working for James Gordon Bennett."

The second fault is that Mr. Crockett says he is making an "effort at depicting a man unique in the history of journalism." and then proceeds to give an extremely interesting account of his, the author's, own life up until he left the employ of the junior Bennett.

Forgetting both title and preface, one finds the story of a boy born on Solomon's Island (America, not South Seas), who became a staunch, loyal worker for the New York Herald in America and Europe, taking part in many of the activities which made the Herald an outstanding journal both in Europe and America. Mr. Crockett, it is only fair to say, in addition to his own romantic ups and downs, gives account after account of international affairs, gossip, and characters in which his employer, Bennett, was interested. In the process enough is told of the life of the younger Bennett in Europe and his wanderings over the globe to make the reader wish for a complete biography of this man who lived abroad and conducted one of the largest daily newspapers in America by cable.

China Tales of Today and Tomorrow

The Soul of China Glimpsed in Tales of Today and Yesterday. By Louise Jordan Miln New York Frederic A. Stokes Company 1925. Pp. 311, Price G. $2.00.

Ever since we read, several years ago, Mrs. Miln's remarkable novel "The Feast of Lanterns" we have looked forward with interest deep and unfeigned to her literary efforts. We are interested in China and things Chinese, the customs of the people, their psychology, their history, and the changes which are spreading rapidly over parts of the country. We read what we can of books written by Westerners and by "modernized" Chinese who attempt to interpret China to the West. We are amazed, and—were we not attempting to school ourselves to the philosophy of stoicism —we should often be irritated at what is written about China for the consumption of foreigners who are ignorant of life as it is lived in Cathay.

In the opening chapter of "The Feast of Lanterns" there is a statement to the effect that every Chinese is born into the world with a keen love of beauty; from his earliest childhood every Chinese is surrounded by beauty. We have mislaid our copy of this unusual story or we would quote chapter and verse—but, anyhow, we have quoted the gist of that statement. Interesting, isn't it? And significant, if true. We have asked various readers of Mrs. Miln's novels *"Who is Mrs. Miln"?* And have always been answered, "I don't know—I'd like to know where she gets her material." So at last it occurred to us to look her up in the American and the English "Who's Who" which the distinguished of our Western civilization are embalmed for the benefit of future generations. Mrs. Miln is not in the American "Who's Who" but she is fixed forever in that of England. On pp. 1990-1, of the 1925 edition we find that Mrs. Geo. Crichton Miln "has lived in many parts of North America, Europe, Asia, and Australia; has travelled widely over those continents, over North Africa, Oceania, etc.; *writes for amusement*, and especially about China and the Chinese, of which people she has been *a life-long student* and is a great admirer," and a little later we find that her *hobbies* are *"babies, China and the Chinese."* The facts unearthed from this source help us now to understand better Mrs. Miln's interpretations of China: she writes for amusement (her's and our's) and her *hobbies* are *babies, and China and the Chinese.*

Enormous amounts of information are to be found in Mrs. Miln's novels and stories. For example, in the first story of "The Soul of China," entitled "The No-Number Wife" we learn that no "strictly orthodox Chinese" ever pronounces "the forbidden name of Confucius;" "No Chinese girl ever is untidy—scarcely ever even those whose homes are poorest and roughest;" "Every Chinese, prince or peasant, toddler or gray-beard, is industrious—indefatigibly

(Continued on page VI)

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Closing Rates—September 29

Market Closed Irregular Business Done 1,400,000

September 29, 1926 Average 1925

STOCK	LATEST	HIGH	LOW
American Telephone & Tel. Co.	146¾	145	130⅝
American Tobacco (Class B)	121⅜	119½	84½
Anaconda Copper	49	53¼	35¼
Baldwin Locomotive	123¾	146	107
Bethlehem Steel (Ord)	49	53½	37
General Motor (Common)	161	149¾	64⅝
Liggett & Meyers (Class B)	91	89⅞	55½
Pennsylvania Railroad	55⅛	55⅜	42½
Tobacco Products	114¼	101¾	70
Tobacco Products (Class A)	117¾	110⅜	93⅛
United States Rubber Co.	61⅜	97¼	33½
Du Pont de Nemours (Common)	234⅞	271¼	134¼
American Can	54⅝	49¾	47¼
American Smelting	139½	144½	90⅜
Union Pacific R R	163⅜	153¼	133¼
U. S. Steel	149¼	139¼	112⅜
Anglo American Oil (Voting Shares)	18	26⅜	17⅛
British American Oil	55½	47½	38
Phillips Petroleum	49⅜	47⅛	36¼
Imperial Oil	36	134¾	27¼
International Petroleum	32⅝	35⅜	22⅛
Continental Oil	19⅞	31⅛	21⅞
Standard Oil of Calif	—	67¼	51½
" " Indiana	63⅝	70¾	59½
" " New Jersey	42⅝	47½	38⅜
" " New York	31¾	48⅝	40

We are not responsible for cable mutilations
Telephone orders accepted—subject to confirmation.

American Gold Bond Quotations

Name of Security	Coupon Rate %	Date of Maturity	Sale Price Sept. 16th.	Sale Price Sept. 23th	Approx. Yield to Maturity Sept. 23th.
Szecho-Slovak Govt. Sinking Fund Loan...	8	Oct. 1, 1952	103¼	103	7.75
Cuban Domin. Sugar Co. 1st Lien S. F. Loan...	7½	Nov. 1, 1944	98½	98½	7.65
Republic of Chile S. F. Loan	7	Nov. 1, 1942	101¼	101	6.90
Argentine Government Ser. "A".....	6	Sept. 1, 1957	99½	99⅜	6.05
German Covernments S. F. Loan.....	7	Oct. 15, 1949	105¼	105⅛	6.55
Kingdon of Norway S. F. Loan.....	6	Aug. 15, 1943	101	101⅛	5.90
Deutsche Renten Bank 1st Lien Farm Loan	7%	Sept. 15, 1950	99⅞	99¼	7.05
Can. Pac. R. R. Co. Debenture Stock.....	4	Perpetual	85¾	84¾	4.72
Belgian Government S. F. Loan.....	6	Jan. 1, 1955	87½	86½	7.10
Andes Copper Mining Co. Debentures.....	7	Jan. 1, 1943	107⅝	105½	6.45
German General Electric Co. S.F. Loan....	7	Jan. 15, 1940	103¼	103	6.70
Saxon Public Works Inc. 1st Mtge. Guaranteed S. F. Loan....	7	Feb. 1. 1945	100	99	7.10
Cuban Northern R. R. Co. 1st Mtge. Loan....	6	July 1, 1966	98	98	6.15
Dodge Brothers Inc. Debentures	6	May 1, 1940	95⅞	95½	6.50
Republic of Haiti.....	6	Oct. 1, 1952	99½	99	6.10
Czecho Slovak Government Ext. S.F. Loan..	7½	Oct. 1, 1945	102⅝	101⅜	7.35
Kingdon of Italy, Ext. S. F. Loan.....	7	Dec. 1, 1951	92⅝	91⅛	7.80

The National City Company International Bank Building No. 2A Kiukiang Road, Shanghai, China.

These quotations are subject to confirmation by the National City Company of New York.

Shanghai Exchange for Week Ending Wednesday, Sept. 29th, 1926

By Maitland, Fearon and Brand

Exchange:—The price of Bar Silver in London has declined $\frac{1}{16}$d. during the past week, today's quotations are 27d. ready and $27\frac{1}{8}$d two months forward; China has been reported as a consistant seller. The official T/T on London, during the same period has declined from 2/8$\frac{1}{8}$d. to 2/7$\frac{1}{8}$d. The exchange market has been very erratic, speculators having operated on both sides of the market, during the earlier part of the week they were buyers of Yen, and with very little genuine cover offering in the form of export paper, a weak market naturally ensued. The announcement on Monday of the voluntary liquidation of the Russo-Asiatic Bank disorganised the exchange market for the moment, but it soon steadied again on speculative selling of Yen, and closes weak at current rates with speculators more inclined to buy than sell.

The following rates for Gold remittances, near delivery, are available at the close of today's business. T/T on London 2/7$\frac{1}{2}$d, New York 63$\frac{7}{8}$, Yen 75$\frac{1}{2}$ 4 m/s export paper can be placed 2/8$\frac{3}{8}$d G. $ 65$\frac{1}{4}$ October.

Our stocks of silver are reported as follows:—

Sycee and Bar Silver.....Tls 80,677,000 a decrease of Tls. 1,502,000

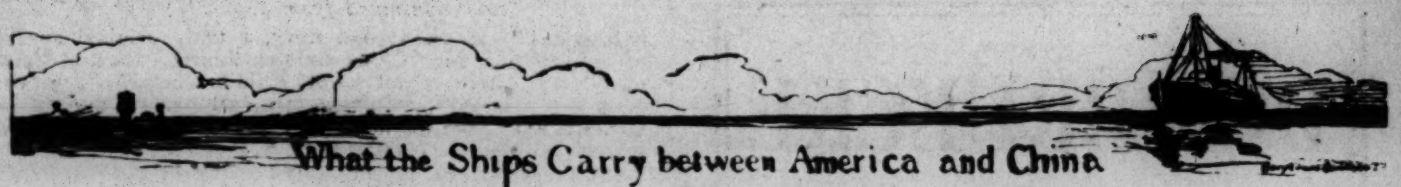
Chinese and Mexican Dollars.....$ 71,350,000 an increase of $ 560,000

Estimated value Tls. 132.049.000 as against Tls. 99,591,000 held at this time last year.

	Average rates for August	Thursday Sept. 23	Friday Sept. 24	Saturday Sept. 25	Mon. Sept. 27	Tues. Sept. 28	Wednesday Sept. 29
Bank's selling rates		*opening closing*	*opening closing*	*opening closing*	*opening closing*	*opening closing*	*opening closin*
T/T London	2/9.620	2/8$\frac{1}{2}$	2/8$\frac{1}{4}$ 2/8	2/7$\frac{3}{4}$	2/7$\frac{3}{4}$	2/7$\frac{1}{2}$ 2/7$\frac{1}{2}$	2/7$\frac{1}{2}$
D/Dfts ,,	—	2/8$\frac{9}{16}$	2/8$\frac{5}{16}$ 2/8$\frac{1}{16}$	2/7$\frac{11}{16}$	2/7$\frac{13}{16}$	2/7$\frac{9}{16}$ 2/7$\frac{9}{16}$	2/7$\frac{9}{16}$
4 m/s ,,	—	2/8$\frac{3}{4}$	2/8$\frac{1}{2}$ 2/8$\frac{1}{4}$	2/8	2/8	2/7$\frac{3}{4}$	2/7$\frac{3}{4}$
T/T India	186 300	180$\frac{1}{4}$	179$\frac{1}{4}$ 177$\frac{3}{4}$	176$\frac{1}{2}$	176$\frac{1}{2}$	175	175
T/T France	2,408 400	2355	2350 2325	2300	2310	2275	2275
T/T N. Y.	68.030	65$\frac{3}{4}$	65$\frac{1}{2}$ 64$\frac{3}{4}$	64$\frac{1}{4}$	2290 64$\frac{1}{4}$	63$\frac{3}{4}$	63$\frac{3}{4}$
T/T Hong	77.925	79$\frac{1}{4}$	79$\frac{3}{4}$ 79$\frac{1}{2}$	78	63$\frac{3}{4}$	78$\frac{1}{2}$	78$\frac{1}{2}$
T/T Japan	70.250	73$\frac{3}{4}$	74$\frac{1}{2}$ 75	75$\frac{1}{2}$	78$\frac{1}{4}$ 78$\frac{1}{4}$	76$\frac{1}{4}$	76$\frac{1}{4}$
T/T Batavia	168.380	163	161$\frac{3}{4}$ 160$\frac{1}{2}$	159$\frac{1}{4}$	75$\frac{3}{4}$	158	158
T/T Straits	83.470	86$\frac{1}{4}$	86$\frac{3}{4}$ 87$\frac{1}{2}$	88	76$\frac{1}{2}$ 159$\frac{1}{4}$	88$\frac{1}{4}$	88$\frac{3}{4}$
Bk's buying rates					158		
4 m/s B/L. Cred. D/A	2/11.245	2/10$\frac{1}{8}$	2/9$\frac{7}{8}$ 2/9$\frac{5}{8}$	2/9$\frac{3}{8}$	88 88$\frac{3}{4}$ 2/9$\frac{3}{8}$	2/9$\frac{1}{8}$	2/9$\frac{1}{8}$
4 m/s ,, D/P	—	2/10$\frac{3}{8}$	2/10$\frac{1}{8}$ 2/9$\frac{7}{8}$	2/9$\frac{5}{8}$	2/9$\frac{1}{4}$ 2/9$\frac{5}{8}$	2/9$\frac{3}{8}$	2/9$\frac{3}{8}$
6 m/s ,, B/L Cred D/A	2/11.557	2/10$\frac{7}{16}$	2/10$\frac{3}{16}$ 2/9$\frac{15}{16}$	2/10$\frac{11}{16}$	2/9$\frac{3}{8}$ 2/9$\frac{11}{16}$	2/9$\frac{7}{16}$	2/9$\frac{7}{16}$
4 m/s B/F Cred D/A	2.538.400	2485	2480 2455	2430	2/9$\frac{7}{8}$ 2440	2405	2405
3 m/s N. Y. Lc.	71.105	68$\frac{7}{8}$	68$\frac{3}{8}$ 67$\frac{7}{8}$	76$\frac{3}{8}$	2420 67$\frac{3}{8}$ 67$\frac{7}{8}$	66$\frac{7}{8}$	67$\frac{7}{8}$
4 m/s ,, Dacs	—	69$\frac{3}{8}$	68$\frac{7}{8}$ 68$\frac{3}{8}$	67$\frac{7}{8}$	67$\frac{7}{8}$ 67$\frac{3}{8}$	67$\frac{3}{8}$	67$\frac{3}{8}$

†Based on Daily Official quotation, higher rate taken on rising Market, lower when falling Bullion.	Sept. 23	Sept. 24	Sept. 25	Sept. 27	Sept. 28	Sept. 29
*London Price of Bar Silver per oz. (English Standard 925 touch)...Pence	27$\frac{1}{16}$	27$\frac{11}{16}$	27$\frac{1}{4}$	27$\frac{1}{4}$	27	27
**New York Price of Bar Silver per oz. (Pure)	G. $ 60$\frac{3}{8}$	G. $ 60	G. $ 59$\frac{1}{8}$	G. $ 59$\frac{1}{2}$	G $ 58$\frac{1}{8}$	G. $ 58$\frac{1}{2}$
Shanghai Price of Gold Bars (weight Tls. 10 (Chanping) 978 touch).....	357^{70}	362^{70}	361^{70}	364^{0}	364^{40}	367^{00}
Shanghai Silver Bars (weight Tls. 100(C.)999 touch)	111^{00}	111^{00}	111^{00}	111^{00}	111^{00}	111^{00}
Shanghai Mexican Dollars per $100.....	72.	71.9875	72.	72.05	72.075	72.0875
Native Bank Rate of Interest (Call money)	2%	2½%	3%	3½%	3%	3%
*Closing Price in London for Previous day						
**Closing Price in New York for Previous day						

Bank of England rate of discount	5%	London Paris on	T/T 173.28
Bank of France rate of discount	7%	New York on London	T/T 485$\frac{1}{16}$
London open Market of Dis. 3 m/s	4$\frac{15}{16}$%	Bombay on London	T/T 1/5$\frac{29}{32}$
,, 4 ,,	4$\frac{15}{16}$%	Hongkong on London	T/T 2/0$\frac{1}{4}$
,, 6 ,,	4$\frac{15}{16}$%	Kobe on London	T/T 1/ 11$\frac{7}{8}$



Return of the Shanghai Customs

By Pls.—1 Picul or 133 1/3 pounds; Bls.—Bales; Pcs.—Pieces; Mille—thousands; Hk. Tls.—Haikwan Tls., Aug. Customs Rate Tls. 1.27 equall Gold $1

S. S. Scottsburg, August 30. from U. S. A.

Cotton Knitted Clothing, Raised	Pls.	3
Iron Pipe Fittings	,,	36
Tinned Plates Plain	,,	1,010
Dextrine	,,	297
Cuttle-Fish	,,	15
Flour, Corn	,,	214
Tobacco, Leaf	,,	386
,, Stalk	,,	55
Gasoline, in bulk	Galls.	5,203
Oil, Lubricating,	,,	5,345
Turpentine Mineral	,,	2,492
Typewriters	Pcs.	15

S. S. President Grant, August 31. from U. S. A.

Printed Shirings, 42 in. by 30 yd	Pcs.	12
Bedsteads	,,	172
Laths	,,	126,000
Machines, Calculating,	,,	16
Motor-cars	,,	2
Motor-trucks	,,	1
Apples, Fresh	Pls.	71
Cheese	,,	26
Hams	,,	5
Ink, Printing	,,	378
Macaroni	,,	12
Pickles	,,	14
Handkerchiefs	Doz.	550
Hats	,,	96
Cigarettes	Mille	16,000
Timber:		
Softwood, Clear	Sup. ft.	43,758
Softwood, Merchantable	Sup. ft.	608,855
Softwood, Ordinary Sawn	Sup. ft.	298,795

S. S. Chinese Prince, Aug. 31. from U. S. A.

Waterproof Cloth	Yds.	838
Cotton Knitted Clothing, Raised	Pls.	21
Cotton Raw Bls. 900.	,,	3,090
,, Yarn, Grey, Counts above 45	,,	7
Aluminium Sheets	,,	8
Leadfoil and Tinfoil Mixture	,,	582
Tinned Plates, Plain	,,	1,611
Tinned Plates	,,	344
Ammonia, Sulphate of.	,,	5,040
Cuttle-fish	,,	38
Grease Lubricating, Mineral,	,,	26
Gum, Rosin	,,	114
Indigo Paste, Artificial, 20 per cent	,,	3,736
Ink, Painting	,,	4
Paper Writing	,,	45
,, Unclassed	,,	2,047
Sulphur, Black	,,	2,781
Tobacco, Leaf	,,	2,150
,, Prepared	,,	17
Wax, Paraffin	,,	421

S. S. Aso Maru, Aug. 31. from U. S. A.

Tinned Plates, Plain	Pls.	594
From Japan.		
Shirtings:		
Grey. 7 lb	Pcs.	600
Sheetings:		
Grey, 12½ lb*	,,	2,000
Jeans, Grey, over 12¾ lb	,,	400
,, Dyed, 33 yd	,,	2,160
T-Cloths, Grey, 37 in	,,	80
Turkey Reds, 3¼ lb:		
T-Cloths	,,	1,500
Cotton Pongees:		
Dyed, Plain	,,	200
Cotton Flannel:		
Grey, 32½ in	,,	1,700
,, 40 in	,,	100
Dyed	,,	480
Printed	,,	2,599
Yarn-dyed	,,	3,119
Cotton Oatmeal Crape, Dyed	,,	420
Cotton Diagonal Twills:		
Black	,,	175
Coloured	,,	425
Cotton Herringbone Twills:		
Black	,,	16
Coloured	,,	104
Cotton Satteen Drills:		
Plain, Black	,,	7,910
,, Coloured	,,	4,900
Cotton Poplins:		
Figured, Black	,,	466
,, Coloured	,,	230
Printed Jeans	,,	2,061
,, Satteen Drills	,,	2,231
,, Skirtings	,,	3,820
Clocks	,,	2,366
Umbrellas	,,	2,160
Cotton Coatings, Dyed.	Yds.	4,500
,, Flannel, Duplex Prints	,,	81,340
Cotton Satteen Drills:		
Grey	,,	45,000
Over 5 shaft	,,	127,742
Cotton Velvets	,,	2,400
Duplex Prints, Unclassed	,,	24,690
Cottons, Yarn-dyed	Yds.	6,600
Wool, Sheep's	,,	594
Artificial Silk and Cotton Piece Goods	,,	3,700
Silk and Cotton Satins, Plain, Dyed in Piece	Catties	170
Cotton Blankets	Pls.	43
,, Knitted Clothing, Raised	,,	24
,, Knitted Tissue, Raised	,,	19
,, Yarn, Grey, Counts 45	,,	31
Steel, Tool	,,	6
Graphite	,,	50
Bronze Powder	,,	131
Butter	,,	18
Botton, Raw Bls. 800	,,	2,359
Carpets	Hk. Tls.	1,893
Rhubarb	Pls.	50
Feathers, Goose	,,	8
Chinaware Fine	,,	75
Egg Alumen, Dried	,,	8
Ink, Printing	,,	6
Isinglass, Vegetable	,,	5
Mushrooms, Dried	,,	6
Paper, M. G. Cap	,,	212
,, Printing	,,	206
,, Writing	,,	157
Paper, Unclassed	,,	18
Rope	,,	5
Soda, Sulphide of	,,	90
Motor-cars	Pcs.	1
Typewriters	,,	2
Oil, Lubricating, Mineral	Galls.	23,518
Paints	,,	219
Cigarettes	Mille	75,150
Dyes, Aniline Pkgs 974	Hk. Tls.	24,209

S. S. Shidzuoka Maru, Aug. 31. from U. S. A.

Wax, Vegetable	Pls.	17
Treasure:		
Softwood, Merchantable	Squ. ft	103,056

S. S. Elkridge, September 1 from U. S. A.

Cylinders	Pcs.	40
Oil, Kerosene, in Cases	Galls.	140,500
Oil, Lubricating, Mineral	,,	26,259
Turpentine, Mineral	Galls.	833
Rattans, Whole	,,	530

S. S. Maya Maru, September 2. from U. S. A.

Cigarettes	Mille	74,950
Soy	Pls.	15
Starch	,,	252

Weekly Cotton Market Report

By J. Spunt & Co.

China Cotton:—Our market during the greater portion of the past week evinced an easier undertone and prices during the latter part of the week registered a decline of about Tls. 1.25 per picul which is ascribable to the very meagre demand for actual cotton on the part of spinners and the bearish sentiment engendered by the progressive declines in Mid-Americans which continued since the 8th., instant and has culminated in a very heavy drop of 120 points on publication, September 23rd., 1926, of the U. S. Government Bureau report indicating a total crop of 15,810,000 bales. The indications for the time being incline more toward a weaker than stronger direction.

The general sentiment for the present appears to be bearish but it is extremely difficult to foresee the trend of the market in so far as to outline any definite situation in the immediate future and for that reason it would appear advisable for the moment to take advantage of any favourable offerings with a view to cover immediate requirements in that reactions may set in when least expected.

Yarn:—The market during the past week has been generally weak, with a further decline of two to three taels from last week's level, due to the weakness of the raw material in the world markets, and the heavy drop in Sampin. Business for export has been booked some 6000 to 7000 bales in all counts during the week under review.

Liverpool:—

American-Middling	9.03
American-Middling last reported	9.54
Tone of the market, *Steady.*	

New York Market:—

Price of Mid-Amer.	15.05 Spot.
	14.43 Oct.
	14.65 Dec.
	14.75 Jan.
	14.97 Mar.
	15.16 May.

Tone of the market:—*Weak.*

Indian Market:—

Fully Good Bengal, D./J.	254
Fine Oomra, Dec/Jan	298
Fully Good Broach, A.M.	314
Tone of the market—*Steady.*	

Shanghai Market:—

	Tls.
Tungchow, spot ex wharf	31.80
Shanghai, Spot	31.75
M. inned, Spot	32.00
Shensi, No. 1 Spot	32.50
Ningpo, Spot, Exwharf.	31.00

Tone of the market—*Weak.*

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In the International Mixed Court at Shanghai

In re: Estate of Minnie H. Richards. Deceased

Notice is hereby given that John A. Richards has filed petition for Letters of Administration in the above entitled estate, and pursuant to Court Order all objections to the issuance of said Letters of Administration must be filed With This Court on or before October 16th, 1926.

FLEMING & ALLMAN,
Attorneys for Petitioner

(Continued from page 143)

industrious." In the second story, a truly original source of information for "China and the Chinese," the first statement is: "There is not an old maid in China." "Even the nuns are married"; "Chinese men, all but the poorest or slackest (!), have so many wives apiece that the girls will scarcely go round. It takes some stretching." The enviable lot of a slave girl of "a rich Cantonese mistress" is described —enviable truly, for if she "devotedly serves till the mistress dies (she) inherits by law half of her lady's wealth. . . ." In a war between China and Japan—date not specified or war guaranteed—we are told that "men were asked for the raging, gasping conflict, every home was asked a man, every tiniest holding or shop for food or raiment to send to those who had gone out to battle and death." Were it not that it is specifically stated that this war was between China and Japan and was fought over the province of Shantung, we should suppose that Mr. Hector Bywater was describing the war of 1932 (is it?) between Japan and America—but China is specified, and we are confident that Mrs. Miln knew exactly what she was talking about.

We'd like to quote some more to show how full of information about "China and the Chinese" this book is—but we have come to the end of the sheet. We recommend it strongly to those who like this sort of thing. There are ten stories each of which is characterized by superlatives and filled with universalizations. And all for G. $2.00

A New Book For Children

Maida's Little School, by Inez Haynes Irwin: The Viking Press, Inc., Publishers, New York, U.S.A. Price G. $1.50

This book by the author of two previous popular works for children, "Maida's Little Shop," and "Maida's Little House," deals with a Winter in the country where the Big Eight (Maida and her seven little friends) attend a new kind of school where everything they learn is an adventure of the most thrilling character. There are adventures dealing with legands of pirates, arrows carved on rocks, buried treasures and so on, including descriptions of Winter sports of all descriptions. There is a frontispiece in colors by Eleanor Gottheil.

(Continued from page 142)

September 28.—Following the fall of Nanchang, Marshal Sun Chuan-fang isiued orders to his troops in Kiangsi and on the borders of Hupeh to launch a general attack on the Southern forces in order to definitely decide the issue in this section, hence it is expected that a decisive battle will develop shortly—Gen. Liu Yu-chunt troops still holding out in Wuchang and according to report, may shortly advance from the city and attack the Southerners—Russo-Asiatic Bank, on orders from head office in Paris, closes doors—Premier Tu Shih-kwei declares Wanhsien incident should be negotiated between Chinese and British officials at Ichang-Sun Chuan-fang claims that Southerners suffered 2,000 casualties and 200 prisoners in fight at Nanchang—Reported, according to *Toho Agency* that Gen. Chiang Kai-shek, Kuomintang commander has propssed peace to Sun Chuan-fang on basis each withdrawing to own territories, but Sun reported Gen. Chang Hsueh-liang at Peking refuses to send reinforcements to help Wu Pei-fu—Waichiaopu at Peking decides to lodge second demand with British over Wanhsien incident—Four peace representatives from South arrive in Hankow and report that Marshal Sun Chuan-fang would really prefer to negotiate a peace with Gen. Chiang Kaishek—Wu Pei-fu requests Premier Tu Shih-kwei to remain in office—Shanghai Consular Officials and Chinese Officials publish terms of Mixed Court Agreement Agreement—Chinese General Chamber of Commerce, Shanghai asks Peking Government to appoint representative to assist in liquidation of Russo-Asiatic Bank.

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